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FWD crossbreeding

In search of slippery shapes

What looks like an assembly plant mutation or a plant foreman's nightmare is really one of several front-drive hybrids undergoing testing at Ford Motor Co. in Dearborn. Most of the cars — like this Lynx sedan/LN7 crossbreed — appear to be rigged for aerodynamic testing.

Import outlets climb 566 as domestic dealers sign

By Kathleen Hamilton
News Editor

Domestic dealers turned to import franchises in droves the first six months of 1981, the latest AUTOMOTIVE NEWS dealer census shows.

The semiannual count found 566 more dealers handling imports at midyear than at the start of the year. The preponderance of that gain — 511 outlets — were domestic dealerships which added import lines.

The launch of the DeLorean and Isuzu in the U. S., along with the aggressive effort by American Motors to give its dealers Renaults, were mainly responsible for gains in the import-dealership population.

But the strength of the import market was another major contributor. Fed by record first-half sales and relatively unscathed by voluntary import quotas, the number of import dealers increased in every category: Midyear found more single-line import deals, more multiline import deals and more domestics handling imports.

In all, there were 17,247 outlets selling imports on July 1, an increase of 3 percent over the Jan. 1 figure of 16,681.

Of that number, 4,616 were handling only imports — an increase of 55 over the Jan. 1 total. That gain helped mitigate the loss of 325 domestic-car dealers in the same time frame (AUTOMOTIVE NEWS, Aug. 3, 1981).

The total six-month loss in dealerships in the U. S. therefore amounted to 270 outlets, and the total number of dealerships in the U. S. stood at 26,063 at midyear. That is nearly 1,000 fewer dealers than one year earlier.

• Although the overall figures for imports were rosy for the first six months of 1981, the good cheer wasn't spread evenly: 14 makes increased their dealership networks, 14 lost ground and another three maintained their Jan. 1 count.

Not surprisingly, the winners were mostly Japanese and the losers were unanimously European.

Dualing of import lines became increasingly popular, not only among domestic-car dealers but among dealers of exclusively import lines as well. The number of import-only duals increased by 19 during the period.

That was small change compared with the 417 domestic dealers who added non-captive import lines during the same period. Captives are the import makes built by companies owned in part by a U. S. maker and whose U. S. distribution is controlled by the U. S. partner. The captive total went up by 94.

Captives are the Ford Fiesta, Plymouth Champ and Sapporo and Dodge Colt and Challenger. Since AMC doesn't have a stake in Renault, Renault is counted among the non-captive imports.

The increase in the number of non-captive imports dualed with domestic lines was enough to bring that category's total to a new record, 3,518 outlets. The old record of 3,379 had stood

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IMPORT OUTLETS

Number of dealerships in U. S. handling imported cars, 1957 to 1981.

Jan. 1, 1957	2,930
Jan. 1, 1958	11,409
Jan. 1, 1959	14,031
Jan. 1, 1960	14,674
Jan. 1, 1961	13,135
Jan. 1, 1962	11,894
Jan. 1, 1963	7,138
Jan. 1, 1964	5,249
Jan. 1, 1965	5,956
Jan. 1, 1966	6,013
Jan. 1, 1967	6,568
Jan. 1, 1968	7,156
Jan. 1, 1969	7,869
Jan. 1, 1970	8,311
Jan. 1, 1971	9,860
Jan. 1, 1972	12,375
Jan. 1, 1973	13,332
Jan. 1, 1974	11,246
Jan. 1, 1975	11,489
Jan. 1, 1976	10,414
Jan. 1, 1977	11,387
Jan. 1, 1978	17,374
July 1, 1978	17,700*
Jan. 1, 1979	17,114
Jan. 1, 1980	16,919
Jan. 1, 1981	16,681
July 1, 1981	17,247

*—All-time high

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Chauffeurs, charter services kept busy

How industry copes with air strike

By Roger Rowand
Engineering Editor

DETROIT. — The auto industry just rolled with the punch as a strike by air traffic controllers delayed travel across the country and caused a sharp reduction in flights of all types.

Transportation for auto personnel and parts was rearranged, delayed and—occasionally—canceled.

Some companies resorted to pool cars; chauffeurs were busier than usual, and one dealer pressed an in-stock motor home into service as an interstate limousine.

"We just modified schedules somewhat as far as executive travel is concerned. We still got people in and out as required," said a Chrysler Corp. spokesman summing up strike impact in general.

The Teterboro (N.J.) airport is one of the nation's busiest as it accommodates corporate planes in the New York City area. Its traffic fell off by some 30 percent just as soon as the strike started.

Teterboro traffic is directed by New York controllers and therefore flights under instrument rules were delayed. Bad weather early in the strike curtailed flights under visual rules but a downturn in flying was caused chiefly by fliers waiting to see what developed in the strike, a flight operations manager at Teterboro told AUTOMOTIVE NEWS.

The Los Angeles area provided an exception to the rule — as it often does.

Manager David Shirley at Santa Monica Municipal Airport said pilots with planes available for charter service have been enjoying a small boom.

General Motors' Air Transport Service stayed on the ground for the first day of the strike as managers assayed the strike situation. ATS and its plant-city shuttle planes resumed flying, albeit on a limited basis, on the strike's second day.

GM directors met in Detroit

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breaking news

'82 intro dates widely spaced

DETROIT.—Most 1982 domestic models will be introduced Oct. 1 or before, but the newest offerings from General Motors and Chrysler Corp. won't be along until later. Tentative showroom dates are Sept. 24 for American Motors and most GM cars, Sept. 25 for Ford Motor and Oct. 1 for Chrysler Corp. carryovers. The new front-wheel-drive Chrysler LeBaron and Dodge 400 will appear Oct. 29, and GM's X-cars are expected around Nov. 12. Arriving even later will be Chevrolet Camaro and Pontiac Firebird and the new front-drive GM A-cars.

Russia, China eye Wankel license

INGOLSTADT, West Germany. — Audi Chairman Wolfgang R. Habbel has confirmed that contacts have been establtablished with the Soviet Union and mainland China in connection with Wankel rotary engine licenses. He is "cautious" about prospects.

UAW planning ad campaign

DETROIT.—The UAW is working on a possible ad campaign to begin in the fall. According to a union spokesman, the UAW is currently in the process of developing the creative content. The advertising agency is Dave Sawyer and Associates in New York.

Government leaders welcome buy-sell show

Unveiling of World Expo hailed

DETROIT. — The announcement that AUTOMOTIVE NEWS will stage a world automotive business exposition next summer in Detroit has met with positive reaction from government and industry officials.

Plans call for the Automotive News World Expo to be staged in Detroit's Cobo Hall Aug. 24-27, 1982, in conjunction with the seventh annual Automotive News World Congress, to be held at the nearby Renaissance Center's Detroit Plaza Hotel Aug. 22-25.

The World Expo is to serve as a marketplace for all goods and services available to vehicle manufacturers around the world, according to AUTOMOTIVE NEWS Publisher Keith E. Crain.

In a letter to Crain, Robert B. Stone, General Motors vice president in charge of the Materials Management Staff, hailed the project.

"All of us at GM have long strived to emphasize and improve communications with our thousands of suppliers around the world," Stone said. "The World Expo next year should contribute to that goal."

• Michigan Gov. William G. Milliken pledged the support of his office to help launch the European-style show in the capital of the world's auto industry. Purchasing offices will be established on the site to bring buyers and sellers together at the show. Exhibitors will be invited to conduct forums.

"I have asked the Michigan Department of Commerce, Office of Economic Development, to assist you in your efforts to organize and promote the 1982 event," Milliken said in a letter to Crain.

Detroit Mayor Coleman Young saluted the Automotive News World Week as "an excellent example of the special civic spirit which is so characteristic of Detroit's business leadership."

"Nothing could be more supremely appropriate than a Detroit gathering of automobile manufacturers and suppliers, and AUTOMOTIVE NEWS is to be congratulated for its initiative and imagination," Young said in a statement.

Governmental units, such as the various states' Offices of

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Ford, Chrysler and AMC answer GM

Summer incentives, rebates bloom

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runs from Aug. 1 to Sept. 23. It covers all new and unused SX-4 and Spirit models sold and delivered during the period, including dealer demos and field units.

The first units of each car line pay $100 each. The second units pay $200 each. All subsequent units pay $450 each.

The 1981 Jeep CJ and Scrambler summer clearance runs from Aug. 1 to Sept. 23. All new and unused 1980 and 1981 CJs and 1981 Scramblers are eligible, including dealer demo and field units. Again payments are based on units retailed and delivered during the contest period.

The first CJ and Scrambler are considered as qualifier units, with no payments. The second unit of each pays $300 and all subsequent units of each pay $600.

There is a separate California program on CJ and Scrambler, again running from Aug. 1 to Sept. 23. It differs slightly. Dealers get $300 for the first and $300 for the second units of each line they retail and deliver. Thereafter, they receive $600 on units in each line.

Finally, there is an Aug. 1-Sept. 30 contest on Renault R-18i and Le Car. Again payments are based on units sold and delivered during the contest period.

The first units in each line retailed pays $100. The second unit of Le Car pays $400 and subsequent Le Cars pay $600. The second unit of R-18i pays $500, and subsequent R-18i units pay $1,000 each.

AMC is currently looking at a Sept. 24 introduction for its '82 models, although date hasn't been finalized.

• Chrysler Corp. went for the straight consumer rebate.

"Our experience has shown the consumer understands and responds to an uncomplicated rebate program that puts a specific amount of cash directly into his pocket," said John Naughton, executive vice president, sales and marketing.

Chrysler's program was viewed as a stronger antidote for currently depressed sales than GM's interest - rate - reduction program and is also getting the full support of national factory advertising.

Chrysler is scheduling network TV through August, spot TV in 34 markets, spot radio in 34 markets, newspaper in 34 markets (probably full page, three insertions), and full page fast-close magazine ads in Time, Newsweek, People and Sports Illustrated to highlight its new rebate program.

This schedule, which may be subject to some change, includes conversion of existing ad time, with some new commercials and others at the divisional level being tagged with rebate references.

Ford indicated it would confine advertising largely to radio, and depend on dealers to do the rest.

The Chrysler program calls for a 50 percent participation from dealers. In effect, they share half the cost of the rebates.

Some dealers were concerned that this might affect the credibility of the program, but said the cost would not present a problem for them.

For one thing, dealers pointed out, if they had to floor-plan a K-car, for example, at $125 per month during August and September, it would end up costing them as much as their half of the rebate.

For another, Chrysler has already given many dealers — those who participated in its earlier buildout incentive program—the money to pay for the current rebate. Under its earlier buildout incentive, Chrysler had given dealers 3 percent and 5 percent allowances, depending on the models, as an inducement to order '81 buildout units.

Its latest program essentially favors those who got into the buildout program. These are the dealers who have the high stocks currently, and under its current rebate a dealer must sell and deliver the unit during August to have it eligible for the money. That means all units must come out of stock.

• Chrysler's consumer rebate runs from Aug. 1 to Aug. 31 and pays from $300 to $1,000 on essentially its high-volume lines.

Excluded from the rebate are Mirada/Cordoba, LeBaron/Diplomat, New Yorker/Newport/St. Regis/Grand Fury and the special Miser versions of Omni/Horizon and TC3/024. The company does not have very high field stocks in these lines.

It pays customers $300 on all imported cars and trucks and the regular Omni/Horizon and TC3 and 024 and $500 on all models of Aries and Reliant and two-wheel-drive domestic Dodge pickup trucks.

Also, it provides $700 on four-wheel-drive domestic pickup trucks, Dodge Ramcharger and Plymouth Trailduster and $1,000 on Imperial.

Overall, Detroit's latest round of incentives and rebates should help clear the decks of '81 models and pave the way for a more successful launch of the '82s.

Analysts have pointed out that '82 orders from dealers had not been coming in like they should. This was true of GM dealers, as well as Ford, Chrysler and AMC dealers.

While dealer orders on '82s will certainly improve as their '81 stocks are depleted, there is still the danger that at the retail level a percentage of pull-ahead sales from the latest programs will affect the industry's sales performance this fall.

Essentially, the industry needs an improvement in overall economic conditions to build a strong, enduring market, as incentives and rebates have proven to have only a short-lived effect on the market.

Car industry adjusts to cope with air controllers' strike

Continued from Page 1

on the first day of the stoppage, declared a dividend, among other things, and managed to find commercial flights out to New York and other far-flung destinations.

A Cincinnati-area Oldsmobile dealer picked up $550 by filling a strike-created void. Five GM execs needed a ride back to Detroit from Cincinnati and the Olds dealer obliged. He rented them a motor home and provided a driver.

• Drivers for Detroit Limousine Service, one of the area's largest, found themselves playing in a new ball game as the strike lengthened.

"The auto company execs have pool cars and chauffeurs but we do a lot of business with suppliers and vendors," said Bob Golob, owner of the firm.

"When the strike started some asked us to do favors for them — little favors. One wiring harness manufacturer in the South asked us to run some errands because their people couldn't get up here.

"We ended up carrying paperwork around, delivering blueprints, samples, purchase orders and quotes."

Carriage Limousine Service, which can trace its roots in Detroit back some 65 years, had an immediate and sharp upturn in out-of-state runs when the controllers walked.

"The customers are mostly chairmen and presidents who have to be at meetings, most of them in Chicago and New York. We can leave here at 6 p.m. and have a man at his board meeting by 9 a.m. the next day. That's what we've been doing," owner Cliff Jay told Automotive News.

At Zantop International, one of the largest freight carriers, an expected boom didn't get off the ground.

In his offices at Willow Run Airport in Ypsilanti, Mich., Executive Vice President Jim Zantop described the strike's impact:

"Business is normal. We thought we were going to fly a few more parts because we thought the scheduled airlines would defer freight and concentrate on passengers.

"That didn't happen," he said.

• Freighters have one distinct advantage over passenger liners in the hours they fly. Most nonscheduled air cargo moves between midnight and 7 a.m. when passenger flights are few.

Hub system lines, such as Zantop and Air Express, funnel all their freight into a single hub airport then fan it to its destination in the wee hours.

An airport manager at Willow Run noted the obvious as he said: "With the downswing in the auto industry, there hasn't been a whole lot of freight anyway."

Chief Pilot Bob Olmsted, of Olsen Flight Service based at Detroit City Airport, said customers adjusted to the strike.

"The strike hasn't affected us as much as we thought it would," he said. "A lot of people just canceled their travel plans. Then, too, salesmen can just drive or rearrange their schedules for when the strike is over."

As folks at other airports did, Olmsted said he noticed fewer aircraft using Detroit City.

"It's not a matter of safety so much as it is extensive delays. People would rather not bother so they just put off trips," he said.

IMPORTED-CAR RETAIL OUTLETS

	July 1, 1981		Jan. 1, 1981	
Imported cars only				
Exclusives	2,973		2,937	
Duals	1,643		1,624	
		4,616		4,561
Import-domestic duals				
U. S. duals w/captive imports	9,113		9,019	
U. S. duals w/other imports	3,518		3,101	
		12,631		12,120
Total imported-car outlets		17,247		16,681

Captive-import duals are Ford-Fiesta, Dodge-Colt and Challenger and Plymouth-Champ and Sapporo.

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Import outlets gain sharply as domestic dealers join up

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since July, 1959.

Fully 75 percent of all non-captive import franchises were dualed on July 1.

Japanese non-captive makes are most frequently single-line points: Forty-five percent of all Japanese non-captive franchises are single-line points, compared with 11 percent of all European non-captive franchises.

Honda is increasing its single-line dealers, both in number and in the percentage of its total dealer network. Its 356 single-line points represented 45 percent of its network. Six months earlier it had 310 single-line points, representing 40 percent of its total count.

Toyota's 702 exclusive dealers made up 64 percent of its network, and Datsun's 651 exclusive dealers comprised 58 percent of its network. Honda was next in line with its 356 exclusives, and was followed by Volkswagen with 352 exclusives, representing 34 percent of its network; Subaru, 297 exclusives for 39 percent of its network; Mazda, 104 exclusives for 13 percent of its network, and Fiat, 101 exclusives for 19 percent of its network.

Other makes with high percentages of single-line dealers are Aston Martin, whose 4 exclusive dealers comprised 28 percent of its total dealer count.

Audi, DeLorean, Porsche and Rover had no exclusives.

Nine imports had record numbers of dealers on July 1. Beating records set on Jan. 1, 1981, were Honda, Renault, Subaru and Toyota. BMW tied its Jan. 1 record, and Mercedes-Benz equalled its record totals of Jan. 1, 1981, and Jan. 1, 1980.

Ferrari's record number of dealers tied its July 1, 1976, total.

Datsun topped its July, 1980, record by 13.

Maserati, preparing for a smaller, lower-priced and higher-volume car in the U. S. in 1982 or 1983, bettered its Jan. 1, 1977 record of 24 dealers by 12.

Although they didn't set any records, Chrysler Corp.'s Mitsubishi-built captives made some impressive gains in the first half of the year: Champ/Sapporo dealers increased by 92, Colt/Challenger dealers by 116.

Saab increased its dealer total by 9, and Peugeot added 7.

The biggest shakeup in the dealer network during the first half of the year came at Jaguar Rover Triumph. MG production ceased before the year began. The Triumph TR-7 and TR-8, which were to have buoyed JRT dealers' offerings, are now scheduled to go out of production. But JRT added 21 Triumph dealers in the first half.

Meanwhile, its other franchise totals fell: MG, by 25, Jaguar by 17 and Rover — no longer imported here — by 6. Because most of JRT's dealers carry multiple lines, these franchise changes amounted to a loss of 20 outlets, a JRT spokesman said.

JRT plans to have about 250 Jaguar dealers plus a number of service-only points one year from now, when its dealers will be selling only Jaguars.

At midyear, 233 of 350 JRT dealers handled Jaguar.

Other losses in dealer totals were recorded by Fiesta, down 114; Fiat, down 46; Lancia, down 9; Alfa Romeo, down 8; Mazda, down 7; Lotus, down 4; Audi, down 4; Volkswagen, down 3, and Porsche, Rolls-Royce and Volvo, all down 2.

Aston Martin, Mercedes-Benz and BMW recorded no change in dealer numbers during the six months.

The number of import franchises in the U. S. climbed by 679, or 3 percent, during the first half of the year. This was more than the gain in the number of outlets handling imports because of the increase in dualing.

IMPORT FRANCHISES

	July 1, 1981	Jan. 1, 1981
JAPAN	8,948	8,499
Colt/Challenger	2,139	2,023
Champ/Sapporo	2,114	2,022
Datsun	1,109	1,086
Toyota	1,093	1,085
Honda	794	769
Mazda	757	764
Subaru	754	750
Isuzu	188	0
WEST GERMANY	7,405	7,528
Fiesta	4,860	4,974
VW	1,015	1,018
Audi	428	432
Mercedes-Benz	409	409
BMW	370	370
Porsche	323	325
FRANCE	1,707	1,625
Renault	1,377	1,302
Peugeot	330	323
UK	1,455	1,144
Triumph	345	324
DeLorean	344	0
MG	310	335
Jaguar	233	250
Rover	117	123
Rolls-Royce	65	67
Lotus	27	31
Aston Martin	14	14
ITALY	897	944
Fiat	535	581
Lancia	147	156
Alfa	137	145
Ferrari	42	41
Maserati	36	21
SWEDEN	712	705
Volvo	405	407
Saab	307	298
MISCELLANEOUS	25	25
TOTAL FRANCHISES	21,149	20,470

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Davis deal relocates

SAN FRANCISCO. — Ozzie Davis Pontiac-Toyota, Livermore, is building a new facility in nearby Dublin.

Bill rewards those who invest to modernize

Tax revisions to assist industry

By Helen Kahn
Washington Bureau Chief

WASHINGTON. — The auto industry is going to benefit from tax and depreciation breaks, courtesy of the Reagan Administration.

Although there is nothing in the tax bill that specifically addresses the woes of profitless companies or distressed industries, there is a unique leasing provision of special benefit to Ford Motor Co. and Chrysler Corp.

Depending on how the accounting profession handles the transaction on company books—in turn on how shareholders benefit and how it passes muster at the Securities & Exchange Commission—leasing could turn out to be the salvation of companies short of cash. The depreciation changes also will give them a shot in the arm.

The simplest explanation is that the leasing provision passed last week would decrease the minimum investment requirement to 10 percent and create a "safe harbor" that guarantees a transaction would be treated as a lease to allow the nominal lessor to take investment credits and depreciation on the investment.

The intention is to open up the widest possible trading of tax benefits from the money-losers to the money-makers.

In short, Ford, which has accumulated tax credit it can not now use, could buy machine tools or robots, lease to Exxon or Mobil in trade for cash which it needs to pay for those tools or robots.

Ford's and Chrysler's plight arises because of the limits set for carrying forward losses over a limited number of years. Although it is not the refundable tax credits that both Democrats and Republicans refused to give the auto industry, the leasing provisions are every bit as good.

• Further, the leasing provisions should come on board in a few months—once the accounting procedures are figured out—and be better in some ways than tax-deductible losses, which lose value as inflation continues.

The leasing provisions would not cover all the back tax credits—estimated at some $340 million for Ford—but would cover the more than $80 million expected this year.

Chrysler would be in an even better position because it could use its capital cost recovery as well as tax credits in trade. The particular leasing provision helps the losers more than General Motors, for example, although theoretically, Ford could trade its tax benefits to a profitable GM.

Estimates of tax benefits from purchase of $100 million for a machine would be between $20 and $25 million.

The special depreciation rules for leasing means that companies granting the leases could borrow up to 90 percent of the cost of the assets and still be eligible for the depreciation allowance. They are retroactive to Jan. 1, 1981.

• Although a great deal has been written about "supply side" economics and how the theory of tax cuts balanced with reduced government spending — the New Wave economics—will benefit all, very little has been explained about the business tax cuts, which are every bit as revolutionary and perhaps — as even Senate Majority Leader Howard Baker admits — "a river-boat gamble."

The philosophy is just as different as the New Deal was in its day.

In some ways it is easier to explain what it is not. It is not loan guarantees to "bail out" failures. It is not special-interest legislation that the Reaganites would consider a "federal giveaway." It is not "refundable" tax credits to help ailing firms.

Instead, it is philosophically geared to rewarding those who invest capital and who "reindustrialize."

It is oriented to growth and renewal and, except for certain provisions for the oil industry (which were unsuccessfully opposed at the last minute), it is not geared to size of income as the personal tax cuts are.

Suppliers who modernize could benefit more than large auto makers who do not, for example, because the major benefit is for the investors of capital.

• The heart of the Reagan tax law is the incentives for plant, equipment and real property acquisitions. What started as Kemp-Roth campaign promises —or 10-5-3—was changed slightly to 15-10-5-3, but the principle is retained. The enormous complexities of "useful life" have disappeared.

Starting next January and becoming fully operational by 1986, cars, light trucks, R&D machinery, equipment and tools would be depreciated in three years; all other machinery and equipment would depreciate in five years; real property would depreciate in ten years (the 15 years applies to certain public utility properties).

The 10-5-3 items would be depreciated by using the 150 percent declining balance method for the early years and straight-line for the remaining. In addition, these benefits rise in 1985 and 1986 and businesses can elect to expense annually in 1982, phasing up by 1986.

In addition, the investment credit is raised: 6 percent for the three-year class and 10 percent for five-year class.

Moreover, it applies to new and used property and needs no salvage value estimate. Under certain circumstances, companies could also use straight-line methods to avoid generating tax-free dividends for shareholders.

Further, gains on the sale of business assets would be taxed at the ordinary rate until the gain exceeded the amount previously taken in depreciation allowances and then it would be taxed at the lower capital gains rate.

• Also of specific help to the auto industry is a provision that gives tax credit for research, going beyond mere wage outlays and including supplies and other expenses, retroactive to July 1, 1981.

The 25-percent credit would apply to the increment over a previous three-year base period for the first year, but it could rise after that. It was broadened to cover basic research contracted to universities or contributions to tax-exempt research groups and would even include contributions of equipment.

Further general business benefits include special help for rehabilitating old buildings; favorable tax treatment on stock options qualifying as incentive options; and lowering the maximum capital gains tax rate. And there is always the three-year cuts in personal income tax to free up spending, hopefully on new cars.

But the auto industry did not get specifically what it had wanted. In fact, had Jimmy Carter been elected, Democrats might have come closer to the mark. After all, it was the Carter Administration that blessed

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Byrne notches 25

J. Howard Byrne, right, Byrne Bros., Inc., White Plains, N. Y., receives his quarter-century Chevrolet dealer award plaque from Edwin R. Carbin, Tarrytown zone manager.

Soft touch for luxury BMW

The Swiss coachbuilder Emil Frey is doing convertible conversions on BMW models 628 through 635 at a cost of about $10,000 (not including the original BMW). The door frames and rollbar are reinforced. The front part of the roof can be put into the trunk, and the rear soft top can be folded down and covered.

How changes in taxes will benefit dealers

WASHINGTON.—Small businessmen — dealers, some suppliers, repair shops — will benefit from the new tax law.

Extremely small firms with less than $25,000 in taxable income will pay at a rate of 16 percent in 1982 and 15 percent in 1983 — down from the current 17 percent. Those with taxable income between $25,000 and $50,000 will pay 19 percent in 1982 and 18 percent in 1983 — down from the current rate of 20 percent.

The new law also raises the accumulated earnings credit (except for some nonautomotive areas) so that income tax is avoided for a corporation's shareholders. The credit is raised from not less than $150,000 to $250,000, effective for taxable years after Dec. 31, 1981.

For closely held corporations — subchapter S — the limit is raised from 15 shareholders to 25 and certain exemptions are made for trusts.

But of major importance to auto dealers were the provisions added on the LIFO — last-in-first-out-inventory. The conference agreement between Senate and House version means that the average gross receipts that a business must have to use a single dollar-value LIFO pool is $2 million. (The average gross receipts for car dealers is $5 million).

Taxpayers electing LIFO will have three years (beginning with the year of the election) to take back into income inventory writedowns took in prior years. These are effective at the end of this calendar year. (This will help larger dealers.)

Moreover — something NADA has been pushing for — the Treasury will set regulations to simplify LIFO inventory accounting through the use of published government indexes. The Secretary of the Treasury will also make a study looking toward further simplification and make further recommendations for changes to the tax-writing committees of the Congress by the end of next year.

• NADA figures that only about 5,000 dealers used LIFO inventory despite its obvious importance in times of inflation. The reason so few dealers use it is because of its complexity, including figuring out the index instead of using an established index such as the one developed by the Bureau of Labor Statistics.

NADA is expected to work closely with the Treasury in its study and recommendations to allow greater use of LIFO, but even this year, dealers switching to LIFO might be able to generate more capital internally, but deferring taxes.

Also of considerable special interest to dealers are changes made in gift and estate-tax reduction. The exemption from the unified estate and gift tax is increased from $192,800 to $600,000 over a six-year period and the maximum estate-tax rate is lowered from 70 percent to 50 percent over four years.

The $250,000 limit on the gift

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Interest-rate cut extended to GM's light trucks, vans

DETROIT. — General Motors Acceptance Corp. last week expanded its preferred finance rate of 13.8 percent to light-duty Chevrolet and GMC trucks (including vans) delivered before Aug. 31.

The program, announced the preceding week, initially included only GM passenger cars.

The expansion, announced jointly by GMAC and the parent General Motors Corp., includes Chevrolet's 10, 20, and 30 series trucks as well as all Blazer, LUV and Suburban models, in addition to GMC Jimmy, Suburban, 15, 25 and 35 models.

GMAC said the early reaction to the program by dealers and consumers was "above expectations."

GM plant launch in Wentsville, Mo., delayed by rain

ST. LOUIS. — Heavy rains have delayed construction on General Motors' $500 million Wentsville (Mo.) plant.

Plans to complete the plant by early fall, 1982, have now been pushed back to the end of that year. This would delay production startup until the spring of 1983.

Mud and water have prevented steel at the site from being moved and concrete floors from being poured, a GM spokesman here said. Heavy rains have inundated the area since that announcement.

The delay could postpone the employment timetable. Original estimates indicated most of the 4,500 employes who once worked at the North St. Louis complex would be offered jobs at the new, suburban plant.

Nearly 1,700 workers have exercised their transfer rights and have opted to follow the Corvette to its new home in Bowling Green, Ky. GM ceased production of the Corvette in St. Louis July 30 and began phasing in production at Bowling Green on June 1.

The usually high transfer rate meant only 93 of 900 Kentucky residents trained on weekends by GM and the Kentucky Department of Education were actually hired. Most of those were in skilled trades.

A second Corvette shift is scheduled to be added this fall.

Meanwhile, only one truck line is left in the aging Chevrolet plant in St. Louis, and it is scheduled to be phased out next year.

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Pestillo ups the ante in off-shore sourcing

17,000 jobs hang in balance at Ford

By Marjorie Sorge
Labor Editor

Ford Motor Co. has upped the ante in its high-stakes offshore sourcing poker game, putting chips worth 17,000 union jobs on the table.

Peter J. Pestillo, vice president, labor relations, said the sourcing decisions will be made before the next round of negotiations in 1982, although some of the job losses would not be played out for three to five years. A UAW official confirmed Ford is looking at offshore sourcing in Japan, Mexico and Bordeaux, France.

The next round of negotiations begins next summer and Pestillo already has tipped his hand slightly, saying he wants a four-year-plus agreement instead of the normal three-year pact, a gradual phase-in of benefits based on seniority and changes in the way workers are hired and trained.

Peter J. Pestillo

Over the past few months, both Ford and General Motors have asked the union to reopen negotiations on the current contract to cut labor costs, but the union has emphatically vetoed the idea. Both companies have threatened to send jobs offshore unless labor costs are cut quickly.

Donald F. Ephlin, UAW vice president and director of the Ford Department, said the union realizes some of the decisions must be made before the contract comes up in 1982 but it sees the offshore sourcing plan as a threat or inducement to the union to reopen the contract.

He said the UAW would urge Ford not to outsource jobs because "we believe we can produce better than anybody else."

• In an AUTOMOTIVE NEWS interview, Pestillo hinted that reopening the contract might save some of the jobs and said "I'm not busy tomorrow (to begin negotiating) but I don't have a table to go to and I don't like solitaire." In reply, Ephlin said the union has no intention of dealing itself a hand right now.

The first decision to be made will involve the production of the powertrains, which Ephlin said would affect the majority of the 17,000 workers. Other areas affected would be some assembly and stamping operations, he said.

Ford is considering shipping those jobs to Japan, Mexico and Bordeaux, France, where Ford already has a transmission plant, Ephlin said.

One U. S. plant that may be affected is the Livonia Transmission operation, which Ephlin said is currently bidding on a job. Pestillo said if the company decided automatic overdrive transaxles for the bigger cars could be built better offshore, the Livonia plant would be "dramatically affected."

Ford is already building an engine plant in Chihuahua, Mexico, which begins operations in late 1983. That plant will build the I-4 engine, some for export to the U. S.

The offshore sourcing decision will be based on capital investment, labor costs, total price and availability and the value of local content, Pestillo said.

Local content has become a major issue with the UAW as it strives to keep jobs from being exported and will be high on the list of priority items in 1982 bargaining, acording to UAW President Douglas A. Fraser. Last month, Fraser introduced a local-content proposal calling for stringent controls.

Under Fraser's proposal, by 1985, auto companies with 200,000 annual sales in the U. S. would need at least 75 percent North American content, while companies with over 500,000 would need 90 percent. In 1980, Ford sold 1.5 million cars and 800,000 trucks.

• Pestillo said local-content legislation would not necessarily be abhorrent to Ford and Fraser's proposal may even get the company's support, depending on the ground rules. However, he said any local-content law would not affect Ford's offshore sourcing decisions because 95 percent of the vehicle's content is North American. That would mean the company could conceivably double its current offshore sourcing and still stay within the limits of Fraser's proposal.

One big worry in sourcing has been labor costs and Pestillo wants the gap between the U. S. and Japan narrowed.

"It is critical that we narrow it and we are working on that," he said. "It's critical to the UAW and ourselves. For them, for the jobs and for us for the competitiveness. They go together. The longer it takes, the more jobs it's going to cost so we had both (Ford/UAW) better get at it soon."

To narrow the gap, Pestillo is suggesting a four-year-plus contract with no openers and phased-in benefits based on seniority.

Negotiating a longer contract would offer more flexibility such as with the inflation index which determines COLA payments, he said. In July, Fraser told reporters three-year contracts may not make sense any more, but most labor observers feel the union is leaning toward a shorter contract rather than the longer one Pestillo has in mind.

Ephlin said he assumes Pestillo's longer contract would mean simply extending the agreement if negotiations were

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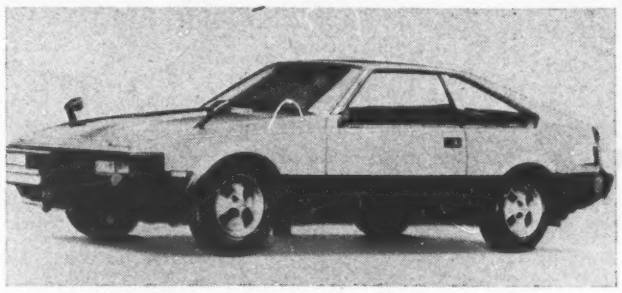

New Toyota model bows in Japan

Six-cylinder Toyota Supra features pop-up headlights and a lengthened nose. New on the market in Japan, it is destined for the U. S. this fall as a 1982 model.

Still another air-bag hearing finds witnesses unchanged

By Helen Kahn
Washington Bureau Chief

WASHINGTON. — The latest in many years of hearing on air bags and passive belts—this day and a half NHTSA session billed as containing only new data—had almost the same cast of characters except for the chair—Raymond A. Peck, NHTSA head appointed by President Reagan.

Not surprisingly, insurance companies testified for passive restraints and so did some consumer activists including Ralph Nader and the Center for Auto Safety.

Testifying against them were other conservative public interest groups such as the Pacific Legal Foundation and Barbara Keating's Consumer Alert.

Present also were the three major domestic companies, which now want the standard rescinded. All of them have scrubbed whatever air-bag plans they once had and also want very much to drop any plans for passive belts.

Volkswagen of America is now joined its domestic brothers in asking that the standard be rescinded even though its automatic belts already comply. VWoA noted that the passive belts are on only two of the nine models it sells in the U. S.

Mercedes-Benz, which has a driver-only air bag with a three-point belt in Europe, is on hold for its U. S. plans. Toyota said it has found "disappointing levels of public acceptance" for the motorized belts on its 1981 Cressida.

• Suppliers of airbag components also testified—saying they were barely hanging on by their fingernails since all contracts have been canceled except the ones with Mercedes which are on hold.

Talley Industries, an involved supplier from 1969 on, is in a similar plight. It offered to help if Peck will maintain some sort of fleet to keep air-bag technology alive.

Noting that opponents of the standard say air bags will add as much as $1,100 to the price of a new car, Talley responded by giving its own price breakdown to show that, with volume, air bags in 1981 dollars could cost the consumer only $212 per car, including manufacturer profit and dealer 30 percent optional accessory markup.

Figuring the incremental cost reduction for changing from a three-point belt system to a manual lap belt—$27—the actual air-bag cost would be $185, Talley said.

Congress also had its spokesmen represented. Colorado Democrat Timothy Wirth, who heads the House subcommittee charged with NHTSA oversight and authorization, submitted a letter from 18 Congressmen urging retention of the standard. Almost simultaneously, Indiana Republican Elwood Hillis released a letter from his office signed by himself and 57 other Congressmen opposing any mandatory passive restraint standard.

• Much of the hearing was devoted to whether people would use passive belts or would disconnect them; whether disconnect was needed in case of fire, submersion, or crash—or whether belt spool-out was enough; whether people could be educated to use active belts; whether air-bag technology could be kept alive by some sort of fleet use; whether the methodology of the various cost/benefit studies is appropriate; whether insurance cost savings would offset initial costs, and whether philosophically mandating belt use was correct.

But central to the hearing was a question raised by Ralph Nader, who turned the tables and questioned Peck who was supposed to be questioning him.

Nader, noting that all of Peck's superiors in government (President Reagan, OMB chief David Stockman, DOT Secretary Drew Lewis, Vice President George Bush) had publicly opposed air bags, asked Peck why he was holding the hearing and would he make the decision. Would he "defy his superiors," all of whom seem to have prejudged the issue?

Peck put himself in the catbird's seat. NHTSA, he said, is fully prepared to take any action, including no action. He did not accept Nader's assertions that the issue has been prejudged. He added that Congress gave the DOT Secretary the responsibility and the Secretary gave it to him.

"I am prepared to make this decision, period," Peck said. "It is the law of the land."

Peck, through the long hearings, pressed for data and clarification. His position is bound to be difficult because of the outspokenness of his superiors, and he has a thankless task in making such a decision.

Peck has indicated to Congress the possibility of making passive restraints an option, and his sympathetic viewing of the so-called Coleman solution — company fleets to test in real life the adequacy of air bags—and even some sympathy with another Congressional solution that almost made it through the last Congress—putting the burden on the five biggest companies to produce one line of air-bagged cars.

New-car market stumbles; import share sets record

By Jenny L. King
Staff Writer

New-car sales in July were down for both U. S. auto makers and imports, spurring some domestic rebates, lowered interest rates and various incentive programs as the industry sought to pull out of the long sales depression.

The five U. S. makers reported 8.33-percent decline from last year, and the import total was down 8.72 percent, due largely to sales drops for its two biggest names, Toyota and Datsun. Import penetration, however, reached a record for the year at 29.59 percent.

Total new-car sales in July numbered 706,040, down 8.45 percent from 771,194 a year ago. The domestic figure of 497,151 was down 8.33 percent from 542,349, while imports were down 8.72 percent, to 208,889 from 228,845.

It was the lowest domestic total since 1961 when 419,969 new cars were retailed.

Year-to-date industry sales totaled 5,288,469, down 2.49 percent from 5,423,512 in 1980. The domestic total through July 31 was 3,805,890, down 3.44 percent from 3,941,539 a year earlier. Import year-to-date sales were up 0.04 percent, to 1,482,579 from 1,481,973.

The domestic daily selling rate in July was 19,121, down 8.33 percent from 20,860, and lowest for any month since last January. There were 26 selling days both this year and last.

• Chrysler Corp. and American Motors were the only U. S. auto makers to report sales increases this July. Chrysler was up 15.86 percent, to 58,508 from 50,497 last year, while AMC was up 21.75 percent, to 12,722 from 10,449.

General Motors sales dropped 12.52 percent, to 304,135 from 347,669 in 1980. Ford Motor Co. missed its year-ago mark by 4.99 percent, with 109,031 down from 114,758. Volkswagen of America plunged 32.78 percent, to 12,755 from 18,976.

GM earned 61.17 percent of the domestic market in July, down from 64.10 percent last year. Ford sales accounted for 21.93 percent, up from 21.16 percent. Chrysler increased its share to 11.77 percent from 9.31 percent. AMC cornered 2.56 percent, up from 1.93 percent, and VWoA had 2.57 percent, down from 3.50 percent.

Of the 13 U. S. makes reporting sales both years, five pulled ahead of their July, 1980 levels. Plymouth was up 41.30 percent, AMC was up 21.75 percent, Mercury was up 20.08 percent, Dodge was up 17.30 percent and Cadillac was up 4.38 percent.

U. S. makes with sales declines were: Lincoln, down 46.85 percent; Chrysler, down 41.64 percent; VWoA, down 32.78 percent; Chevrolet, down 17.45 percent; Buick, down 12.41 percent; Oldsmobile, down 11.47 percent; Ford, down 8.77 percent, and Pontiac, down 5.92 percent.

• While top-imported Toyota was down 13.59 percent in July and second-place Datsun dropped 22.52 percent below 1980,

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Concours slated at Meadow Brook

ROCHESTER, Mich. — The third annual Meadow Brook Concours d'Elegance will be held Sunday, Aug. 16, at Meadow Brook Hall near here.

Donald E. Petersen, president of Ford Motor Co., is honorary chairman of the event.

Approximately 100 classic cars will vie for awards, including a "people's choice." Hours are from 10 a.m. to 4 p.m. Admission is $4 per person.

Can Congress finish work on Clean Air Act?

Rollback sought on emissions rules

Continued from Page 2

ones with few if any emission controls.

"What we are recommending is a more reasonable pace toward cleaner air," she said.

• But Richard Ayers, chairman of the National Clean Air Coalition and a member of the National Commission on Air Quality, disputed that assertion.

"This is nothing more than a sugar-coated prescription for dirty, unhealthy air," he said.

He pointed out that the National Commission on Air Quality recommended that only the CO standard be eased to 7 gpm and then only to 1986, and that the 1.0 gpm NOx standard be retained.

Furthermore, cars have been meeting a 2 gpm standard for more than four years already, he said; so to assert that replacing these older vehicles with ones also meeting a 2 gpm NOx standard constitutes progress towards cleaner air seems a bit far-fetched.

"It's disappointing and frightening that the person in charge of this agency doesn't know what the cars on the road are doing, what the law is or what the National Commission on Air Quality has recommended," Ayers said.

In coming forward with recommendations only, the Reagan Administration appears to have decided to take the low road on amending the Clean Air Act.

Gorsuch said no bill would be sent to Capitol Hill, that instead the Administration hoped to work with the various committees to come up with a measure it could support.

Politically, this is viewed by many to be a more viable road for the Administration to take, particularly in the wake of the outcry that emerged following a leak earlier this summer of an Administration proposal calling a far more radical reworking of the Clean Air Act.

• A Clean Air measure has already been introduced in the House of Representatives that closely tracks what both the industry and the Reagan Administration want and no doubt a similar measure will be introduced in the Senate.

The House bill was introduced by Rep. Bob Traxler, the Michigan Democrat, and Rep. Elwood Hillis, the Indiana Republican.

It essentially follows the recommendations of the Motor Vehicle Manufacturers Assn., which are: Raise the CO standard to 7 gpm permanently, raise the NOx standard to 2 gpm permanently, measure only reactive hydrocarbon emissions, allow California cars to be sold nationwide, eliminate certain emission certification procedures, provide for emissions waivers for innovative technology, allow for averaging of emissions, and eliminate the 1984-and-beyond high altitude requirements.

Whether Congress can finish work on amending the Clean Air Act this year remains to be seen, however. Most observers would say not, but that assessment was made based on earlier positions taken by the Administration.

Whether the new Reagan approach will alter that perception remains to be seen. Environmentalists will definitely fight to prevent their enactment.

New-car market stumbles; import share sets record

Continued from Page 4

the European luxury-car makers had a boom month.

BMW reported an any-month high with its sales at 4,424 units. Audi sales were up 35.27 percent, Mercedes-Benz was up 15.30 percent to a July record of 5,651 units, Peugeot was up 51.36 percent and Volvo reported a 28.34-percent sales increase to a July record 6,757.

Imports not only had their best penetration level of the year in July, of 29.59 percent, they cornered the largest segment of the total market. U. S. compacts accounted for 20.27 percent, intermediates were 18.47 percent, subcompacts were 16.76 percent, standards were 10.49 percent and luxury models were 4.42 percent.

The top five U. S. nameplates for the month were: Chevrolet Citation at 28,020, Chevrolet Chevette at 24,679, Ford Escort at 21,503, Oldsmobile Cutlass Supreme at 20,757 and standard Chevrolet at 18,168. A year earlier, the top five were: Citation, Chevette, Cutlass Supreme, Chevrolet Malibu and standard Chevrolet.

Domestic sales for the final 10 days of the month totaled 204,468, a decline of 13.47 percent from 236,293 last year. For the period, Ford was up 14.66 percent, Chrysler was up 10.17 percent, GM was off 21.00 percent, VWoA was down 38.19 percent and AMC was down an estimated 28.00 percent.

GM earned 62.62 percent of the third-period domestic market, Ford had 20.59 percent, Chrysler stood at 11.85 percent, VWoA had 3.18 percent and AMC had 3.18 percent and AMC earned 1.76 percent.

IMPORTED CAR SALES

	July, 1981	July, 1980	Jan. 1-July 31, 1981	Jan. 1-July 31, 1980
Alfa Romeo	274	343	1,214	2,117
Audi	5,124	3,788	29,885	24,921
BMW	4,424	3,807	24,718	21,219
Challenger	1,051	1,101	7,555	8,527
Champ	2,568	4,077	24,694	39,578
Colt	2,597	3,758	25,069	36,189
Datsun	43,118	55,651	290,548	336,541
Fiat	3,637	3,015	22,062	24,942
Fiesta	2,888	5,419	31,296	41,925
Honda	33,633	31,972	238,504	220,140
Isuzu	2,078	.....	9,538	.....
Jaguar	441	235	2,457	1,648
Lancia	149	180	705	1,407
Mazda	13,460	14,756	106,867	89,056
Mercedes-Benz	5,651	4,901	38,345	31,014
MG	337	1,190	2,993	7,152
Peugeot	1,671	1,104	9,715	7,745
Porsche	941	1,202	6,744	6,688
Renault	1,766	2,281	18,641	14,649
Rover	79	41	500	116
Saab	1,087	1,568	8,444	8,073
Sapporo	1,062	849	7,933	6,751
Subaru	14,208	11,987	91,977	82,791
Toyota	51,006	59,029	377,683	374,874
Triumph	1,030	2,499	7,826	7,730
Volkswagen	7,852	8,827	52,630	52,623
Volvo	6,757	5,265	44,036	33,557
TOTAL	208,889	228,845	1,482,579	1,481,973

U. S. CAR SALES BY MARKETING UNITS

	July, 1981	July, 1980	7 mos., 1981	7 mos., 1980
Chevrolet	120,600	146,096	892,728	1,069,879
Ford	111,919	120,177	891,548	938,270
Oldsmobile	65,040	73,469	518,970	491,224
Buick	51,590	58,899	426,210	410,938
Toyota	51,006	59,029	377,683	374,874
Pontiac	48,704	51,768	336,133	366,888
Datsun	43,118	55,651	290,548	336,541
Honda	33,633	31,972	238,504	220,140
Mercury	28,511	23,743	208,266	193,642
Plymouth	31,666	24,768	244,337	186,737
Dodge	28,174	25,768	222,839	198,061
VW of America	26,672	32,793	186,365	199,416
Cadillac	18,201	17,437	127,470	123,589
Mazda	13,460	14,756	106,867	89,056
Chrysler	5,946	9,746	57,300	84,502
AMC-Renault	14,488	12,730	106,437	103,886
Subaru	14,208	11,987	91,977	82,791
Lincoln	3,506	6,596	36,621	42,888
Mercedes-Benz	5,651	4,901	38,345	31,014
Volvo	6,757	5,265	44,036	33,557
BMW	4,424	3,807	24,718	21,219
Fiat	3,786	3,195	22,767	26,349
Isuzu	2,078	.....	9,538	.....
JRT Inc.	1,887	4,765	13,776	16,646
Peugeot	1,671	1,104	9,715	7,745
Saab	1,087	1,568	8,444	8,073
Alfa Romeo	274	343	1,214	2,117
TOTAL	706,040	771,194	5,288,469	5,423,512

Ford sales include Fiesta; VWoA includes VW and Porsche-Audi; Plymouth includes Champ and Sapporo; Dodge includes Colt and Challenger; Fiat includes Lancia.

Where Auto Market was in July

	Total Sales	Pct. of Total
SUBCOMPACT	118,366	16.76
COMPACT	143,102	20.27
INTERMEDIATE	130,440	18.47
STANDARD	74,063	10.49
LUXURY	31,180	4.42
IMPORT	208,889	29.59
TOTAL	706,040	100.00

New head, name change for Drennen Cadillac

BIRMINGHAM, Ala. — Drennen Cadillac has changed its name to Drennen Cadillac Co., Inc. The announcement was made by Ralph Quinn III, who will become president of the new company replacing his father, Ralph Quinn Jr., who is retiring after 30 years in the Drennen organization.

As part of the new ownership and management operation, Tom Williams Buick, will be a major partner.

DOMESTIC CAR SALES

	July 21 to July 31, 1981	Same Period, 1980	July, 1981†	Same Month, 1980	Jan. 1 to July 31, 1981	Same Period, 1980
Spirit	.....	.....	2,368	4,006	22,512	32,165
Concord	.....	.....	8,028	3,865	39,046	38,703
Pacer	.....	.....	.....	258	111	1,780
Eagle	.....	.....	2,326	2,320	26,127	16,589
AMERICAN MOTORS*	3,600†	5,000†	12,722	10,449	87,796	89,237
Horizon	2,534	3,092	5,759	6,397	51,624	43,644
TC3	1,933	2,233	4,717	4,697	34,419	34,975
Reliant	6,900	.....	16,965	.....	111,748	.....
Volare	47	2,669	169	6,467	6,505	50,780
Plymouth	167	798	426	2,281	7,414	11,009
Total Plymouth	11,581	8,792	28,036	19,842	211,710	140,408
LeBaron	1,455	1,886	3,639	4,218	29,174	37,415
Cordoba	593	1,382	1,627	3,388	16,680	27,563
Chrysler	146	752	422	2,140	8,163	19,524
Total Chrysler	2,194	4,020	5,688	9,746	54,017	84,502
Total Imperial	106	.....	258	.....	3,283	.....
Omni	1,365	2,456	2,607	5,067	36,650	35,354
024	2,042	2,114	4,706	4,281	30,493	29,775
Aries	5,332	.....	12,064	.....	83,568	.....
Aspen	69	2,172	161	5,267	5,769	38,673
Diplomat	1,054	931	2,747	2,400	18,947	19,565
Mirada/Magnum	400	909	1,008	2,172	9,840	17,218
Dodge	91	603	233	1,722	4,948	12,760
Total Dodge	10,353	9,185	24,526	20,909	190,215	153,345
CHRYSLER CORP.	24,234	21,997	58,508	50,497	459,225	378,255
Pinto	358	3,476	998	11,573	10,037	94,960
EXP	2,311	.....	6,770	.....	29,175	.....
Escort	8,341	.....	21,503	.....	183,623	.....
Mustang	4,111	6,570	10,884	19,899	102,275	148,002
Fairmont	5,425	6,206	13,771	20,049	115,520	184,286
Granada	3,059	2,093	7,000	7,439	60,137	48,154
LTD II	.....	149	.....	346	.....	2,710
Thunderbird	2,249	3,282	5,312	10,152	44,416	86,811
Ford	4,113	4,389	10,776	14,961	70,182	94,892
Ford Division	29,967	26,435	77,014	84,419	615,365	659,815
Bobcat	11	740	111	2,176	2,169	18,077
LN7	645	.....	2,237	.....	9,059	.....
Lynx	2,627	.....	7,122	.....	59,446	.....
Zephyr	1,554	1,946	4,037	5,574	34,197	51,191
Cougar/Monarch	1,592	473	3,714	2,661	25,678	17,260
XR-7	1,191	1,213	2,564	3,695	17,524	34,846
Capri	1,521	1,645	4,095	5,188	30,974	40,150
Mercury	1,635	1,335	4,631	4,449	29,219	32,118
Total Mercury	10,776	7,352	28,511	23,743	206,266	193,642
Versailles	.....	180	.....	448	.....	3,451
Lincoln	634	1,348	1,670	3,069	17,603	18,210
Mark VI	719	1,400	1,836	3,079	19,018	21,227
Total Lincoln	1,353	2,928	3,506	6,596	36,621	42,888
L-M Division	12,129	10,280	32,017	30,339	244,887	236,530
FORD MOTOR	42,096	36,715	109,031	114,758	860,252	896,345
Skyhawk	.....	103	.....	287	.....	4,681
Skylark	6,901	6,534	14,064	13,047	120,768	101,117
Century	3,353	6,308	8,044	12,540	81,803	84,983
Regal	6,964	8,185	15,367	16,752	121,419	108,745
Le Sabre	2,767	3,618	6,312	7,833	45,010	54,033
Electra	1,791	2,380	4,007	4,858	30,485	33,697
Riviera	1,710	1,713	3,796	3,582	26,725	23,682
Buick Division	23,486	28,841	51,590	58,899	426,210	410,938
Cimarron	1,011	.....	2,295	.....	3,880	.....
Seville	650	1,012	1,311	2,297	13,510	20,255
Cadillac	5,607	4,780	10,720	11,044	79,879	74,801
Eldorado	2,047	1,881	3,875	4,096	30,201	28,533
Cadillac Division	9,315	7,673	18,201	17,437	127,470	123,589
Chevette	10,113	12,822	24,679	27,986	230,409	230,114
Cavalier/Monza	3,373	6,171	8,024	13,184	28,275	88,481
Citation/Nova	6,986	15,401	28,020	33,635	189,804	234,898
Camaro	3,888	4,969	9,257	10,845	68,014	74,349
Malibu	6,901	10,670	17,871	23,345	140,053	158,784
Monte Carlo	5,155	6,251	12,273	13,453	97,468	93,575
Chevrolet	7,726	9,538	18,168	20,544	119,705	168,023
Corvette	1,100	1,417	2,308	3,104	19,000	21,655
Chevrolet Division	45,242	67,239	120,600	145,096	892,728	1,069,879
Starfire	.....	135	.....	258	.....	4,825
Omega	3,673	3,829	8,044	8,099	66,825	52,481
Cutlass	5,877	8,125	13,163	17,275	124,938	124,572
Supreme	8,961	11,895	20,757	24,540	162,635	154,026
Olds 88	5,965	6,572	14,279	13,775	95,404	92,051
Olds 98	2,329	3,066	5,686	6,280	46,852	41,116
Toronto	1,300	1,586	3,111	3,242	22,316	22,153
Oldsmobile Division	28,105	35,208	65,040	73,469	518,970	491,224
T-1000	2,785	.....	6,246	.....	26,093	.....
J-2000/Sunbird	2,782	5,311	6,764	11,498	40,078	76,902
Phoenix	2,711	4,007	5,775	8,910	52,954	58,265
Firebird	2,649	3,057	5,442	7,047	37,811	54,806
LeMans	2,221	2,395	5,233	5,833	45,204	46,869
Grand Prix	4,621	4,474	10,121	9,735	77,788	64,289
Pontiac	4,129	3,873	9,123	8,745	56,205	65,757
Pontiac Division	21,898	23,117	48,704	51,768	336,133	366,888
GENERAL MOTORS	128,046	162,078	304,135	347,669	2,301,511	2,462,518
VOLKSWAGEN	6,492	10,503	12,755	18,976	97,106	115,184
DOMESTIC TOTAL	204,468	236,293	497,151	542,349	3,805,890	3,941,539
IMPORT TOTAL	.....	.....	208,889	228,845	1,482,579	1,481,973
INDUSTRY TOTAL	.....	.....	706,040	771,194	5,288,469	5,423,512

*—AMC does not have a nameplate breakout for 10-day periods.
†—Estimate.

Lutz describes extensive forward planning

Ford of Europe ready for future

By Richard Feast
European Editor

Ford of Europe has left the door of its normally top secret research establishments slightly ajar.

In these tough times it wants the world to know that it is working hard to secure a place in it at the end of this century. Robert A. Lutz, chairman of Ford of Europe, writes in a foreward to volume 1 of *Ford Energy Report*: "Ford engineers throughout the world are working with a common interest as at no other time in history.

"Such is the integration and communication within the Ford world that the results of any program are readily available to all other areas.

"It does not matter whether research is in South America or Detroit, Dunton or Merkenich, Australia or California, by mail and by computer, by satellite and by oceanic cables, data is exchanged on a wide range of projects.

"The depth and scope of this work is so extensive I think the time has come to talk more openly about the issues, the research and the development taking place within Ford today.

"Every time I review progress or look at the hardware being put together, be it long-term experimental, medium-term prototype or short-term pre-production, I get excited at the prospects ahead of us."

• Among the first projects which Ford is talking openly about are a "breakthrough" with automatics for the mid-'80s, a Fiesta honed to give additional mileage, a joint gas turbine project in the U. S. and a worldwide assessment of alternative fuels.

An experimental Granada sedan with computer-controlled automatic is now running with predicted economy gains of up to 27 percent compared with a conventional automatic.

The transmission dispenses with a torque converter and employs five epicyclic ratios. Mechanically, it is a derivative of the current three-speed with the addition of two extra ratios and a twin-plate wet clutch.

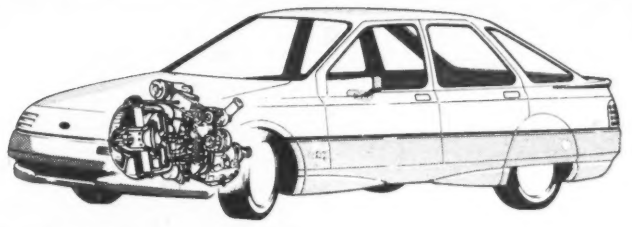
Instead of direct connection between the accelerator and the carburetor there is a position sensor and a small electric motor, both connected to the on-board computer which controls the whole system.

At present, that computer occupies a good deal of trunk space—but will be replaced by a matchbox-sized module as development progresses.

Eventually, the unit can be programmed to provide either sporting or economy characteristics.

Ford emphasizes that potential savings of more than a quarter have been computed, but it is too early to say whether such gains could be maintained on a production run.

Of more immediate interest are the two Fiestas built to investigate the numerous small steps Ford is working on to make cars go further on less. None of the changes to the vehicles — code-named F.E.R.V. (Fuel Economy Research Vehicle) — is very major but they add up to some impressive results.



Ford's glimpse of the future

Early sketch of the gas turbine car Ford is working on in the U. S. as part of a project with Garrett AiResearch. Ford says up to half a million cars of this type could be on the road within the next decade. Gains in fuel economy up to 60 percent over a conventional three-liter engine are spoken of.

The project began nearly two years ago. Changes to the bodywork, including a longer, sloping nose and rear spoiler, have improved the drag coefficient by 10 percent (to CD 0.38).

At the same time, the relationship between engine characteristics and gear ratios was revised to bring the normal operating range to a more efficient part of what Ford calls the fuel economy map.

• The objective throughout is to maintain top-gear acceleration while improving gas mileage. Peak torque of the 1,117-cc Valencia engine was adjusted to occur at 2,500 RPM (rather than 3,000 RPM) and top gear was raised from 3.93 to 2.70.

The result is to increase top speed from 81 to 89 MPH and an improvement in economy of 14 percent.

Some of these changes will be incorporated into 1982 production Fiestas, while others may have to wait because of investment and tooling considerations.

On alternative fuels, Ford vehicles in West Germany are being run on a mixture of gasoline and 15 percent methanol. In the U. S., 40 new Escorts have been converted to run on pure methanol in a program sponsored by the California Energy Commission.

Following the introduction of propane-powered trucks into its Kentucky plant, similarly powered cars will be made in Canada and go on sale there during the 1982 model year.

Other areas being investigated range from a methane car with five lightweight pressurized tanks to a car using refrigerated methane which stays below freezing point for up to eight days.

Also under test are electric vehicles employing either battery power or a hybrid combination of batteries and generating sets.

John Oldfield, vice president of product planning at Ford of Europe, said: "Our production

Continued on Page 17, Col. 1

The chairman drives into the future

Ford of Europe Chairman Robert A. Lutz at the wheel of the Fiesta-based F.E.R.V., or Fuel Economy Research Vehicle. Some ideas from this two-year project will be incorporated into the 1982 production schedule for Fiesta.

Ford mixes it in Germany

Ford of Germany has a fleet of 150 Granadas converted to run on gasoline with 15 percent addition of methanol under a government program. Early indications are that the fuel tank, fuel lines, fuel pump and carburetor need special treatment to avoid corrosion.

REGISTRATIONS OVERSEAS

UNITED KINGDOM
Cars

	6 mos., 1981	6 mos., 1980
Alfa Romeo	3,177	5,143
BL	159,300	155,374
BMW	9,056	7,078
Colt	6,659	5,145
Daihatsu	1,201	550
Datsun	50,027	46,785
Fiat Auto	29,693	28,352
Ford	242,997	284,618
General Motors	70,269	79,400
Honda	8,513	13,411
Lada	6,456	7,187
Lotus	128	211
Mazda	10,050	6,673
Mercedes-Benz	5,740	4,989
Peugeot SA	64,904	82,120
Polski-Fiat	957	2,285
Reliant	207	368
Renault	39,007	52,825
Rolls-Royce	756	822
Saab	5,068	4,139
Skoda	4,148	4,257
Toyota	11,153	18,392
VAG	41,148	34,807
Volvo	22,403	20,611
Others	3,382	2,396
Total	797,937	869,168
Trucks, buses		
BL	21,283	31,295
Daf	705	1,095
Daihatsu	1,342	1,270
Datsun	3,393	4,103
ERF	608	1,469
Fiat Auto	1,533	1,016
Foden	315	723
Ford	33,709	51,629
General Motors	16,923	22,316
Hestair-Dennis	250	252
Honda	1,755	1,858
IVECO	789	1,645
MAN-VW	2,298	3,299
Mazda	1,946	915
Mercedes-Benz	2,680	3,083
Mitsubishi	1,060	366
Peugeot SA	7,341	9,982
Renault	1,267	1,247
Scania	430	683
Seddon-Atkinson	957	1,987
Subaru	781	473
Toyota	2,589	3,110
VAG	2,596	3,937
Volvo	1,415	2,298
Others	2,230	2,063
Total	110,195	152,116
Total vehicles	908,132	1,021,284

SWEDEN
Cars

	6 mos., 1981	6 mos., 1980
Alfa Romeo	263	247
BMW	1,466	1,301
Daihatsu	444	362
Datsun	2,354	2,413
Fiat Auto	1,818	2,929
Ford	11,145	8,549
General Motors	8,846	10,137
Honda	1,886	2,351
Lada	1,548	1,403
Mazda	4,647	3,519
Mercedes-Benz	2,690	3,103
Mitsubishi	978	.....
Peugeot SA	3,447	4,500
Renault	1,532	2,489
Saab	12,577	13,099
Skoda	144	122
Toyota	2,797	4,231
VAG	11,467	11,341
Volvo	25,079	26,279
Others	107	247
Total	95,235	98,622

WEST GERMANY
Cars

	5 mos., 1981	5 mos., 1980
Alfa Romeo	6,047	7,337
BL	2,799	2,861
BMW	59,386	68,842
Daihatsu	4,264	1,509
Datsun	19,077	19,643
Fiat Auto	43,548	42,520
Ford	147,393	123,514
General Motors	185,648	205,427
Honda	16,882	20,358
Lada	2,849	2,967
Mazda	21,327	19,813
Mercedes-Benz	109,581	110,238
Mitsubishi	23,331	14,952
Nuova Innocenti	799	1,146
Peugeot SA	50,499	60,143
Porsche	4,913	5,356
Renault	49,650	59,117
Saab	1,338	1,158
Skoda	857	1,029
Subaru	686	.....
Suzuki	3,478	983
Toyota	25,843	25,605
VAG	339,005	379,524
Audi	77,194	115,972
Volkswagen	261,811	263,552
Volvo	6,573	8,454
Others	1,589	1,557
Total	1,127,362	1,184,268

JAPAN
Cars

	4 mos., 1981	4 mos., 1980
Daihatsu	29,897	35,909
Fuji	21,532	24,454
Honda	56,594	53,452
Isuzu	22,255	22,990
Mitsubishi	90,220	82,740
Nissan	277,942	287,403
Suzuki	21,310	22,891
Toyo Kogyo	73,598	68,661
Toyota	369,229	358,374
Imports (all)	13,698	16,706
Total	976,275	973,589
Trucks, buses		
Daihatsu	73,698	60,750
Fuji	46,556	36,313
Hino	14,472	19,129
Honda	44,273	31,170
Isuzu	47,409	52,356
Mitsubishi	95,812	101,962
Nissan	124,992	117,771
Nissan Diesel	7,755	10,075
Suzuki	108,727	85,722
Toyo Kogyo	60,603	72,896
Toyota	145,255	157,954
Total	769,552	746,098
Total vehicles	1,745,827	1,719,687

FRANCE
Cars

	4 mos., 1981	4 mos., 1980
Alfa Romeo	7,435	8,633
Audi	6,174	5,714
BL Cars	5,886	6,651
BMW	7,739	5,658
Citroen	89,609	110,938
Datsun	5,177	5,298
Fiat Group	27,669	21,584
Ford	34,170	21,912
Honda	1,509	2,533
Lada	4,517	4,080
Mazda	2,654	3,974
Mercedes-Benz	5,312	4,395
Opel	9,966	13,233
Peugeot	86,942	119,525
Renault	254,985	306,016
Talbot	30,734	41,323
Toyota	4,284	4,396
Volkswagen	36,632	23,620
Volvo	3,356	2,837
Others	6,792	6,211
Total	627,542	719,131
Trucks, buses		
Bedford	675	694
BL Trucks	682	650
Citroen	18,915	20,616
Fiat-IVECO	5,764	6,955
Ford	2,682	3,918
Mercedes-Benz	4,920	5,164
Peugeot	16,960	18,345
Renault	58,088	53,650
Toyota	1,747	2,881
Volkswagen	3,882	2,580
Volvo	1,428	1,532
Others	6,291	7,638
Total	122,034	124,623
Total vehicles	749,576	843,754

Doubling of sales is predicted

Jaguar is in to stay, U.S. dealers assured

By Richard Feast
European Editor

More than 80 U. S. Jaguar dealers descended on the company's headquarters at the beginning of July to hear more about the quality drive and the new models that are in the pipeline.

The words (by chairman John Egan) and music (by Edward Elgar, of course) were suitably stirring.

"We are quite capable of maintaining a profitable presence in North America purely on the basis of a Jaguar product range," declared Egan afterwards.

He dismissed rumors that Jaguar would pull out of North America as "nonsense."

But Jaguar's poor quality and reliability have proved a considerable handicap—a position it is firmly convinced it can overcome with its current quality campaign.

Egan's declared aim is to match—"and better"—the quality of West Germany's Mercedes-Benz and BMW rivals.

He reported that in May U. S. sales overtook those of the UK and that by the end of the year that would permanently be the case. Year-end sales would double to around 4,500, and dealers were committed to an additional 50 percent on top of that next year.

Part of the plan includes faster introduction of new models into the U. S. market.

"This year our 1982 model year build began exactly on schedule on June 22 and the cars will be in our North American showrooms right at the beginning of the 1982 model year selling season in October," reported Egan.

UK exporters have complained long and hard about the strength of sterling. But the U. S. is not Jaguar's problem—it is Europe, where the pound remains strong against the franc, deutschmark, lira and so on.

"We are satisfied with the pound at $2.30, so at $1.88 we're quite happy," quipped Egan with a grin.

Clearly, though, Jaguar needs some lighter, more aerodynamic models than the XJ sedans and XJS coupe, whatever the gas consumption gains from the May head now fitted to the V-12s.

One of the penalties of being part of a controversial state-owned group like BL is that forward planning has to be done in a goldfish bowl—to prove to taxpayers that something is being done to cement the future.

BL's product planning for the '80s must be among the most exposed in the motor industry and that includes Jaguar's future.

Next up will be the diesel-engined sedans, destined for the 1983 calendar year and essentially aimed at the U. S. market.

Initially Jaguar will use a bought-in unit, pending development of its own diesel engine. It will be a six-cylinder turbocharged unit, one of a family of engines designed and built by VM in Italy. A four-cylinder version has already been seen in the Alfa Romeo Alfetta.

Jaguar is unclear over just how important the diesel will be in its sales pattern. It is a market it has never entered and Jaguar talks in general terms of 10 to 15 percent.

Whatever, extra mileage is not the main reason behind the introduction of the diesel.

Egan forecasts: "We will get the thermal efficiency of the diesel with our forthcoming gasoline engine. It's for fiscal reasons like the price of diesel fuel that we need it."

The six-cylinder gas engine will be an all-alloy lightweight unit, undoubtedly employing May combustion chambers. Jaguar says there will be a high performance cylinder head option — believed to employ four valves per cylinder.

It will be used initially in the XJS, probably in late '83 or early '84, but is mainly to be used in the lightweight XJ40 sedan scheduled for the mid-'80s.

Jaguar pins comeback hopes on quality

Continued from Page 14

is Jaguar's open attack on (mainly) U.K. component suppliers. The sector has always been held up as one of the more successful areas of the country's none-too-healthy motor industry.

Neither has there been such a condemnation from other users of U.K. components. Have they been experiencing poor quality, has their own internal quality control rejected what has been offered, or has the rough treatment been reserved for Jaguar?

Whatever these questions, John Egan maintains, every objective indicator shows competitive levels of quality and reliability have been achieved.

"Research is proving that the Jaguar worker can produce a car which is in every way competitive and in many ways better than his much vaunted German competitors," he said.

Testing plastic manifold

Ford of Europe, in cooperation with BTR Permali and Fibreglass, Ltd., is testing a Cortina inlet manifold made of plastic. The compound, a polypropylene maleate resin with an acrylic thermoplastic additive, costs one-quarter its aluminum equivalent. Other possible uses include water, fuel and oil pumps. Above, right, is a one-piece manifold, plus a fusible metal molding core.

DuPont hybrid

To showcase its automotive materials, duPont engaged Ogle Design to unite the multi-sourced parts into a pleasing shape.

Lutz describes extensive forward planning

Ford of Europe ready for future

Continued from Page 16

experience of alcohol cars in Brazil and propane vehicles in Canada, combined with our European methanol trials and U. S. test fleets, puts us right at the front of the new technology required should any of these alternatives become widely available and viable in Europe."

Ford has released more details of the gas turbine work it is undertaking with Garrett AiResearch — a program that is little known in Europe.

Prototypes are scheduled for delivery in 1985 under a contract with the U. S. Department of Energy and NASA.

Production, it says, could begin by the end of the decade and the eventual goal is to produce between 300,000 and 500,000 a year by 1991.

The Ford / Garrett engine is designed to develop 130 HP at 100,000 RPM. It will run on a wide variety of fuels, in both liquid and gas form, which makes it attractive when high quality gasoline is not available throughout the world.

To provide maximum performance without the throttle lag, an electronic control system using micro-processors will monitor all engine and transmission functions. Predictions for the vehicle using a split-torque automatic transmission of the type being used in the U. S. Escort show a fuel economy gain (using gasoline) of almost 60 percent over today's three-liter Otto engines.

Says Bob Lutz: "There is no miracle solution to the world's energy problems, so every improvement, however small, is a worthwhile step in the right direction.

"As fast as we can we are introducing production changes to take advantage of our research achievements and I am confident that by the end of this century we can make a vehicle which can return a consumption about half of today's European average."

PRODUCTION OVERSEAS

JAPAN

Cars

	4 mos., 1981	4 mos., 1980
Daihatsu	54,875	52,300
Fuji	63,559	64,075
Honda	296,102	263,765
Isuzu	42,072	33,478
Mitsubishi	200,074	194,017
Nissan	607,167	616,972
Suzuki	30,975	22,876
Toyo Kogyo	279,463	234,777
Toyota	773,880	788,222
Total	2,348,167	2,270,572

Trucks, buses

Daihatsu	105,880	87,439
Fuji	88,018	69,212
Hino	23,486	25,588
Honda	47,978	35,463
Isuzu	116,260	126,784
Mitsubishi	148,048	137,651
Nissan	238,741	227,924
Nissan Diesel	14,193	15,762
Suzuki	147,761	108,439
Toyo Kogyo	119,043	128,794
Toyota	340,707	344,876
Others	275	240
Total	1,390,431	1,308,272
Total vehicles	3,738,598	3,578,844

ARGENTINA

Cars

	4 mos., 1981	4 mos., 1980
Ford	21,061	18,952
Renault	23,759	17,258
Sevel	11,455	16,949
Volkswagen	7,644	7,371
Total	63,919	60,530

Trucks, buses

Deutz	58	35
Fiat Concord	20	513
Ford	11,103	11,029
IME	.....	1,592
Mercedes-Benz	2,748	2,692
Renault	10	53
Scania	142	309
Sevel	741	1,211
Volkswagen	423	1,534
Total	15,245	18,968
Total vehicles	79,164	79,498

HOLLAND

Cars

	3 mos., 1981	3 mos., 1980
Volvo	19,308	22,288

Trucks, buses

Daf	2,038	3,650
Ford	2,007	3,623
Scania	1,504	1,458
Terberg	64	58
Others	127	147
Total	5,740	8,936
Total vehicles	25,048	31,224

UNITED KINGDOM

Cars

	3 mos., 1981	3 mos., 1980
BL	121,695	119,963
Austin-Morris	105,069	95,993
Jaguar-Rover-Triumph	14,333	20,842
Range-Rover	2,293	3,128
Ford	78,578	107,002
Lotus	88	111
Reliant	22	233
Rolls-Royce	704	960
Talbot	27,240	49,540
TVR	50	34
Vauxhall	13,122	20,827
Others	222	178
Total	241,721	298,848

Trucks, buses

Bedford	11,824	29,701
BL	22,359	39,686
Austin-Morris	8,001	19,148
Land-Rover	10,771	12,584
Leyland Vehicles	3,587	7,954
Dodge	2,379	5,603
ERF	N/A	916
Foden	148	491
Ford	19,663	44,320
Hestair-Dennis	225	167
Metro-Cammell-Weymann	206	122
Seddon-Atkinson	306	1,430
Others	192	254
Total	57,302	122,690
Total vehicles	299,023	421,538

ITALY

Cars

	3 mos., 1981	3 mos., 1980
Alfa Romeo	50,924	59,440
Alfa Nord	23,200	32,860
Alfasud	27,724	26,580
De Tomaso	16	21
Fiat Auto	352,340	404,013
Autobianchi	23,119	20,447
Ferrari	685	514
Fiat	294,684	353,997
Lancia	33,852	20,055
Lamborghini	21	15
Maserati	137	127
Nuova Innocenti	8,640	10,804
Total	412,078	474,420

Trucks, buses

Alfa Romeo	373	516
IVECO	22,962	22,088
Fiat VI	17,579	15,788
OM	4,942	4,949
Magirus	441	1,351
Others	201	146
Total	23,536	22,750
Total vehicles	435,614	497,170

FRANCE

Cars

	5 mos., 1981	5 mos., 1980
Citroen	232,164	274,580
Peugeot	231,243	289,281
Talbot	79,655	143,530
Total PSA group	543,072	707,355
Renault	569,823	684,708
Total	1,112,895	1,392,063

Trucks, buses

Citroen	20,979	22,018
Peugeot	51,496	62,427
Talbot	5,705	13,178
Total PSA group	78,180	97,623
Renault	101,782	88,197
C.B.M.	34	45
Sovam	57	69
Unic (IVECO)	5,032	8,295
Total	185,085	194,015
Total vehicles	1,297,980	1,591,335

Fiat, Alfa probe areas of possible cooperation

Uneasy calm hangs over Italy

TURIN, Italy—The announcement that Fiat and Alfa Romeo are in the advanced stages of a cooperation study brings an uneasy peace to the two companies which have often spent more time picking at each other than tackling the opposition.

There is to be no merger or financial link. The moves are being seen in the longer term as creating the foundations for a more closely knit Italian motor industry.

At present the two companies talk about joint component manufacture and possibly the development of a new engine of two-liter capacity. One reason behind the suddenly discovered friendship must be the decision just over a year ago by the Italian government to make 4,500 billion lira (around $3.7 billion now) available for the restructuring of key industries in the country—and that includes the motor industry.

Fiat's resentment at the continued loss-making activities of Alfa Romeo was little disguised.

It included the Alfasud project, which brought employment to the depressed south around Naples, a strong mid-range competitor for Fiat's 128 model, and, as it turned out, even greater losses for the parent Alfa Romeo company.

Then came the controversial link with Nissan by Alfa Romeo—a project attacked by Fiat not so much on account of the number of vehicles it would produce (60,000 a year), but the principle it involved.

• It gave the Japanese a toehold in Fortress Italy, where Japanese imports are limited to just over 2,000 annually.

But while the two were carping at each other, the major sales slump had swept across most of Europe. But not across the whole of it, for in Italy itself demand for new cars confused everyone by rising by a fifth.

Exports, though, began to suffer, and after yet more gains earlier this year, sales in the domestic market have begun to fall back.

An idea of the dramatic drop in exports this year can be gained from study of statistics compiled by ANFIA, the Italian auto industry's association. In the first quarter of this year exports dropped away by 38.2 percent to 136,262 units compared with the same period last year.

Alfa Romeo was down 15.2 percent at 21,313, but Fiat plummeted a massive 45.1 percent to 99,978.

As a proportion of production, exports in the first quarter of last year amounted to 44.4 percent. This year's equivalent figure was 31.3 percent.

• Nevertheless, because of the continued domestic demand in the early part of the year, Fiat was able to claim the leading market share in European registrations in the first quarter.

According to its definition of Western Europe (which excludes Spain for some odd reason), Fiat enjoyed 13.1 percent, compared with 12.9 percent for Ford, 12.7 percent for Renault, 12.5 percent for VAG, 12.3 percent for PSA, 11.2 percent for the combined Japanese and 8.6 percent for GM-Opel.

One year earlier the order was very different—PSA (14.6 percent), Renault (13.5), VAG (12.6), Fiat (12.1), Ford (11.8), GM-Opel (9.7) and the Japanese (9.0).

Some of Fiat's rivals have different ideas on what comprises Europe, so their figures may differ.

Low export demand and a diminishing home market forced Fiat to put two-thirds of its 114,000 workforce on layoffs this summer. This is in addition to the 23,000 redundancies which followed last fall's bitter, month-long strike.

Last year Fiat's auto making interests contributed a loss of 130 billion lira ($107 million) towards the group's overall profitability.

Alfa Romeo recorded a loss too ($36 million), but an internal reorganization allowed it to register a nominal profit.

Thus, against such a background, closer ties between the two major Italian car producers appears an inevitable move.

Ready to work

Greg Hildreth, graduate of Mendenhall School of Auctioneering, High Point, N. C., gets ready to join his father, Frank Hildreth, 1980 president, National Auto Auction Assn. and owner, Lenoir City Auto Auction, Lenoir City, Tenn.

factories list auction dates

American Motors

Aug. 4—Aptco Auto Auction, Taylor, Mich.; D & A Auto Auction, New Stanton, Pa.

Aug. 6—Todd Auto Auction, Telford, Pa.

Aug. 7—Floyd Hauhe Auto Auction, Bridgeton, Mo.

Aug. 11—Ohio Auto Auction, Columbus, O.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Aug. 12—Sand Mountain Auto Auction, Boaz, Ala.; Southern Auto Sales, Warehouse Point, Conn.

Aug. 13—Fredericksburg Auto Auction, Fredericksburg, Va.

Aug. 14—Concord Auto Auction, Acton, Mass.

Aug. 18—Aptco Auto Auction, Taylor, Mich.; D & A Auto Auction, New Stanton, Pa.

Aug. 20—Todd Auto Auction, Telford, Pa.

Aug. 21—Floyd Hauhe Auto Auction, Bridgeton, Mo.

Aug. 25—Ohio Auto Auction, Columbus, O.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Aug. 26—Sand Mountain Auto Auction, Boaz, Ala.; Southern Auto Sales, Warehouse Point, Conn.

Aug. 27—Fredericksburg Auto Auction, Fredericksburg, Va.

Aug. 28—Concord Auto Auction, Acton, Mass.

Used car sales

Auction Averages

August to date	$4,835
Month ago	$4,308
Year ago	$3,567

Model breakdown

Auction Averages

	AUGUST TO DATE	JULY	JUNE
1981	$9,217	$7,619	$7,126
1980	6,435	6,008	5,858
1979	5,262	5,000	4,857
1978	4,001	3,872	3,669
1977	3,356	3,142	2,972
1976	2,467	2,291	2,288
1975	1,767	1,686	1,699
1974	1,215	1,314	1,379
Overall Average	$4,835	$4,398	$4,286

used-car auction directory

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But production tops year-ago month

July output lowest since February

By Patricia Hoffman
Staff Writer

Domestic auto production in July was the lowest for any month since February of this year, but the output for the month was up considerably from July of 1980.

The auto makers completed 516,613 units in July, up 23.88 percent from 417,038 cars assembled in the comparable month last year. The total was the highest for that month since July, 1979, when the auto manufacturers finished 583,765 units, but it was the lowest for any month since the 482,074 cars completed in February, 1981.

Last week, the auto makers scheduled 83,061 units, down 11.79 percent from 94,167 completed in the previous week, but up 36.91 percent from 60,669 in the comparable week last year.

Year-to-date, the makers have completed 4,202,551 units, up 6.97 percent from 3,928,616 built in the comparable period last year.

Breakdown for the week by company is: General Motors, 63.60 percent; Ford Motor, 26.00 percent; Volkswagen of America, 4.53 percent; American Motors, 3.79 percent; Chrysler Corp., 2.05 percent; and Checker Motors, 0.03 percent.

Chrysler's Jefferson assembly point, down for model changeover since July 27, resumes operations today (Aug. 10).

Also at Chrysler, the Belvidere plant, down since Aug. 5 for changeover, resumes production today, but Newark, down since Aug. 3, will remain idle until Aug. 24.

General Motors' St. Louis assembly point has ended production of the Corvette, transferring assembly of the car to the Bowling Green (Ky.) plant. St. Louis truck will continue production of light Chevrolet and GMC trucks.

Pickett joins U. S. company planning Korean T-bird

By Edward Lapham
Financial Editor

MADISON HEIGHTS, Mich.— North American Classics Corp. has retained William S. Pickett, former American Motors executive, to develop the company's distribution network.

Thomas W. Elkins, chief operating officer of NAC, confirmed that the company has retained Pickett as a consultant.

"He is consulting for us on a variety of subjects on which he has experience and expertise," Elkins said.

NAC, principally owned by a handful of Ford dealers, is negotiating with Hyundai Motor Co. to build a '57 Thunderbird replica in Korea for sale in the U.S. (Automotive News, July 20).

Pickett, who retired as American Motors (Canada), Ltd., president in June, told Automotive News he believes the NAC/Hyundai project has a good chance to succeed.

"I don't believe in freak things," Pickett said, "And I don't think this is a freak thing. I went over their market studies and checked things out. I think it can work, I think they can sell 5,000 of the Thunderbird replicas a year."

Pickett, a veteran world trader with experience in Korea, said he would not be involved in the negotiations with Hyundai, but as a consultant he would probably go to Korea several times.

"My area is market representation, not negotiating," Pickett said.

"I'll be doing a variety of things," he said. "I'll be helping set up the dealer body, establishing the franchise and franchise system, establishing the warranty claim system, setting up procedures, as well as handling advertising and new product introduction."

Elkins said the company is still negotiating with Hyundai and has yet to seek any additional capital through equity or debt financing, although the company will be raising more capital shortly after the final agreement with Hyundai is signed.

AMC appoints Nomm

SOUTHFIELD, Mich. — Rein Nomm has been appointed manager of stockholder and financial communications for American Motors. He has been a senior procurement analyst for AMC since joining the company in 1979.

Truck production for July tops '80; 124,618 assembled

U. S. truck production in July rose substantially above the comparable 1980 month and the total was the highest for that month since 1979.

The domestic truck manufacturers completed 124,618 units in July, up 39.47 percent from 89,353 trucks assembled in the comparable month last year. The total was also the most for July since the 205,265 units built in 1979, but it was the lowest for any month since August, 1980, when the truck makers completed 78,464.

Production last week was slated at 16,894 units, down 38.79 percent from 27,599 in the previous week and down 4.41 percent from 17,673 in the comparable week last year.

Ford Motor's Kansas City, Louisville, Norfolk, San Jose, St. Paul and Twin Cities truck facilities were all idle last week (Aug. 3) for changeover and inventory adjustments. They are slated to resume work today (Aug. 10).

American Motor's Toledo (Jeep) facility closed July 20 for model changeover. The point is scheduled to resume production Aug. 17.

Volkswagen of America's Westmoreland point has slated downtime beginning Aug. 28 for '82 model changeover. The plant is scheduled to return Sept. 8.

July production in Canada climbs to 4-year high

Canadian auto production in July was the highest for that month since 1977, but it was also the lowest for any month since January of this year.

In July, the auto makers completed 61,118 units, up 14.99 percent from the 53,152 assembled in the comparable 1980 month. The total was the highest for that month since the 66,416 produced in 1977, but the lowest for any month since January of this year when the makers built only 46,423 cars.

Canadian truck production in July was 35,633, a gain of 62.48 percent over the 21,931 units in the comparable 1980 month, and the total for the month was the most since 1977 when the truck makers built 38,537 units. It was the lowest for any month since August, 1980, when the makers assembled 26,422.

Last week's production showed the effects of the changeover period.

The auto manufacturers slated 4,441 units, down 62.70 percent from 11,906 in the previous week, and down 35.0 percent from 6,832 in the comparable 1980 week.

The truck makers scheduled 1,732 units last week, down 72.90 percent from 6,391 in the previous week, and down 53.89 percent from 3,756 in the comparable week last year.

So far this year, the truck manufacturers have completed 319,385 units, up 3.02 percent from 310,027 in the comparable period last year.

Chrysler's Windsor car facility, idle for 1982 model changeover since July 24, resumes operation today (Aug. 10).

General Motors' Scarborough truck point, down for changeover since July 29, will begin production of 1982 models Aug. 18.

U. S. CAR PRODUCTION

	Week Ended Aug. 8, 1981	Week Ended Aug. 9, 1980	Week Ended Aug. 1, 1981	July Total	Jan. 1 to Aug. 9, 1980	Jan. 1 to Aug. 8, 1981
AMERICAN MOTORS	3,150*	4,286*	3,150*	13,732	101,878*	80,122
AMX	.....	.....	.....	.....	.....	.....
Spirit	.....	.....	.....	5,339	.....	.....
Concord	.....	.....	.....	8,304	.....	.....
Eagle	.....	.....	.....	89	.....	.....
Pacer	.....	.....	.....	.....	.....	.....
CHRYSLER CORP.	1,700	4,150	11,732	71,760	361,055	507,870
Plymouth Total	400	2,250	5,731	37,234	165,065	262,751
Horizon	400	2,100	3,184	14,631	95,781	99,703
Reliant	.....	150	2,547	22,603	150	153,461
Volare	.....	.....	.....	.....	51,740	.....
Caravelle	.....	.....	.....	.....	4,083	2,139
Gran Fury	.....	.....	.....	.....	13,311	7,448
Chrysler Total	.....	.....	.....	.....	47,820	22,098
LeBaron	.....	.....	.....	.....	36,304	17,236
Chrysler	.....	.....	.....	.....	11,516	4,862
Dodge Total	1,300	1,900	6,001	34,526	148,170	223,021
Omni	1,300	1,800	4,760	18,167	82,862	86,481
Aspen	.....	100	.....	.....	36,999	.....
Aries	.....	.....	1,241	16,359	.....	120,214
Diplomat	.....	.....	.....	.....	17,585	12,644
St. Regis	.....	.....	.....	.....	10,724	3,682
FORD MOTOR	21,599	13,651	20,255	75,637	751,427	859,406
Ford Division	14,619	8,374	14,068	53,163	551,382	587,130
Escort	6,682	.....	3,507	18,395	.....	220,050
Pinto	.....	.....	.....	.....	68,179	.....
Fairmont	3,559	2,793	1,238	10,509	151,639	125,761
Must./Must. II	3,488	3,951	3,993	11,414	149,253	104,772
Granada	890	469	3,150	7,556	49,881	53,058
Thunderbird	.....	.....	2,180	5,289	77,383	42,603
Ford	.....	1,161	.....	.....	55,047	40,886
L-M Division	6,980	5,277	6,187	22,474	200,045	272,276
Mercury Total	6,253	4,056	6,187	22,474	178,574	235,252
Bobcat	.....	.....	.....	.....	12,445	.....
Lynx	2,270	.....	957	6,481	.....	76,557
Capri	1,400	1,504	1,351	3,869	43,395	37,036
Zephyr	1,007	1,091	378	2,833	49,137	38,325
Cougar/Monarch	280	.....	1,111	3,605	16,409	26,974
XR-7	.....	173	1,085	2,546	25,930	18,851
Mercury	1,296	1,288	1,305	3,140	31,258	37,509
Lincoln Total	727	1,221	.....	.....	21,471	37,024
Lincoln	346	563	.....	.....	8,540	18,045
Mark VI	381	658	.....	.....	11,070	18,979
Versailles	.....	.....	.....	.....	1,861	.....
GENERAL MOTORS	52,830	34,122	55,223	338,854	2,582,272	2,639,496
Buick Division	14,400	3,714	9,850	58,663	500,780	562,121
Skylark	6,121	3,714	6,764	29,122	143,178	169,695
Skyhawk J	6,360	.....	.....	.....	.....	.....
Century	.....	.....	.....	1,638	107,564	86,881
Regal	5,097	.....	2,150	3,916	129,739	158,587
Buick	3,182	.....	936	9,620	92,540	101,167
Riviera	.....	.....	.....	14,367	27,759	45,791
Cadillac Division	1,300	.....	988	21,404	124,755	172,728
Cimarron	1,300	.....	988	4,370	.....	10,277
Seville	.....	.....	.....	1,444	21,265	15,916
Eldorado	.....	.....	.....	4,744	33,224	40,074
Cadillac	.....	.....	.....	10,846	70,266	106,461
Chevrolet Division	24,855	21,170	29,921	144,310	1,100,337	986,514
Chevette	8,580	9,300	8,156	38,473	289,50	221,318
Cavalier	4,945	.....	5,408	19,635	.....	50,356
Monza ('80)	.....	3,050	.....	.....	106,392	.....
Camaro	.....	.....	.....	8,531	79,765	87,694
Citation	5,850	8,020	6,354	32,404	297,148	233,953
Malibu	.....	.....	2,200	12,146	167,051	162,794
Monte Carlo	.....	.....	2,004	11,452	60,609	92,276
Chevrolet	4,800	.....	4,799	17,364	72,494	117,905
Corvette	680	800	1,000	[illegible]6	27,372	20,218
Oldsmobile Division	4,206	2,464	3,520	[illegible]77	498,760	578,217
Omega	3,556	2,164	2,919	[illegible]478	77,119	101,441
Cutlass	.....	.....	.....	19,286	254,744	272,451
Oldsmobile	650	.....	601	20,970	141,781	174,578
Toronado	.....	.....	.....	3,143	25,116	29,747
Pontiac Division	8,069	7,074	10,944	54,600	357,645	339,916
Acadian†	125	190	123	1,424	14,487	14,005
J2000	3,105	.....	2,746	9,973	.....	36,020
Sunbird ('80)	.....	3,358	.....	.....	93,497	.....
T1000	2,642	.....	2,023	9,751	.....	50,734
Firebird	.....	.....	.....	5,057	51,691	43,468
Phoenix	1,855	2,445	1,949	9,618	87,674	74,371
Grand Prix	.....	741	2,263	10,156	36,181	69,227
LeMans	.....	340	1,500	6,979	34,951	42,027
Pontiac	342	.....	340	1,642	39,164	10,064
VOLKSWAGEN	3,760	4,375	3,782	16,306	130,329	114,241
CHECKER	22*	85*	25*	324	1,655	1,416*
Total Cars, U. S.	83,061	60,669	94,167	516,613	3,928,616	4,202,551

TRUCK PRODUCTION IN U. S.†

	Week Ended Aug. 8, 1981	Week Ended Aug. 9, 1980	Week Ended Aug. 1, 1981	July Total	Jan. 1 to Aug. 9, 1980	Jan. 1 to Aug. 8, 1981
CHEVROLET	1,802	2,095	2,926	37,119	292,126	333,657
DODGE/PLYMOUTH	2,000	.....	.....	7,154	84,724	59,926
FORD	5,566	10,329	16,866	40,127	324,540	387,134
GMC	1,521	1,431	1,683	12,921	101,747	114,702
INTERNATIONAL	1,615	2,115	1,693	5,434	34,927	45,092
MACK	.....	.....	.....	.....	14,917	.....
JEEP	2,000*	.....	2,000*	10,877	51,105	62,188*
AMC CORP.	50*	428*	50*	334*	5,195*	2,636*
VOLKSWAGEN	1,400*	650*	1,400*	6,440*	25,075*	40,320*
MISCELLANEOUS	940	625	981	4,212	18,422	28,193
Total Trucks, U. S.	16,894	17,673	27,599	124,618	952,778	1,073,848

CANADIAN TRUCK PRODUCTION

	Week Ended Aug. 8, 1981	Week Ended Aug. 9, 1980	Week Ended Aug. 1, 1981	July Total	Jan. 1 to Aug. 9, 1980	Jan. 1 to Aug. 8, 1981
CHRYSLER CORP.	1,487	1,496	.....	5,001	25,047	47,752
FORD MOTOR	.....	800	3,065	8,596	111,193	90,391
GENERAL MOTORS	.....	1,060	3,077	21,492	150,929	174,332
AMERICAN MOTORS	.....	.....	.....	.....	11,644	.....
INTERNATIONAL	245	380	249	544	9,797	6,910
MACK	.....	.....	.....	.....	1,417	.....
Total Trucks, Canada	1,732	3,756	6,391	35,633	310,027	319,385
N. American Trucks	18,626	21,429	33,990	160,251	4,753,929	1,393,233

†—New includes window van production. *—Estimated.
Jeep includes commercial vehicles only. AM General includes government-destined vehicles. AM General will no longer be figured in with North American trucks.

CANADIAN CAR PRODUCTION

	Week Ended Aug. 8, 1981	Week Ended Aug. 9, 1980	Week Ended Aug. 1, 1981	July Total	Jan. 1 to Aug. 9, 1980	Jan. 1 to Aug. 8, 1981
AMERICAN MOTORS	.....	.....	728	3,372	.....	20,779
CHRYSLER CORP.	.....	944	250	8,779	39,522	29,932
FORD MOTOR	1,680	4,976	6,633	12,613	156,174	136,068
GENERAL MOTORS	2,629	912	4,070	35,366	313,212	334,620
VOLVO	132	.....	225	988	6,378	6,687
Total Cars, Canada	4,441	6,832	11,906	61,118	515,286	528,086
N. American Cars	87,502	67,501	106,073	577,731	4,443,902	4,730,637
N. American Trucks	18,626	21,429	33,990	160,251	1,262,805	1,393,233
North American Cars and Trucks	106,128	88,930	140,063	737,982	5,706,707	6,123,870

†—All Acadians and Caravelles are built for sale in Canada. *—Estimated.

Can Congress finish work on Clean Air Act?

Rollback sought on emissions rules

Continued from Page 2

ones with few if any emission controls.

"What we are recommending is a more reasonable pace toward cleaner air," she said.

• But Richard Ayers, chairman of the National Clean Air Coalition and a member of the National Commission on Air Quality, disputed that assertion.

"This is nothing more than a sugar-coated prescription for dirty, unhealthy air," he said.

He pointed out that the National Commission on Air Quality recommended that only the CO standard be eased to 7 gpm and then only to 1986, and that the 1.0 gpm NOx standard be retained.

Furthermore, cars have been meeting a 2 gpm standard for more than four years already, he said; so to assert that replacing these older vehicles with ones also meeting a 2 gpm NOx standard constitutes progress towards cleaner air seems a bit far-fetched.

"It's disappointing and frightening that the person in charge of this agency doesn't know what the cars on the road are doing, what the law is or what the National Commission on Air Quality has recommended," Ayers said.

In coming forward with recommendations only, the Reagan Administration appears to have decided to take the low road on amending the Clean Air Act.

Gorsuch said no bill would be sent to Capitol Hill, that instead the Administration hoped to work with the various committees to come up with a measure it could support.

Politically, this is viewed by many to be a more viable road for the Administration to take, particularly in the wake of the outcry that emerged following a leak earlier this summer of an Administration proposal calling a far more radical reworking of the Clean Air Act.

• A Clean Air measure has already been introduced in the House of Representatives that closely tracks what both the industry and the Reagan Administration want and no doubt a similar measure will be introduced in the Senate.

The House bill was introduced by Rep. Bob Traxler, the Michigan Democrat, and Rep. Elwood Hillis, the Indiana Republican.

It essentially follows the recommendations of the Motor Vehicle Manufacturers Assn., which are: Raise the CO standard to 7 gpm permanently, raise the NOx standard to 2 gpm permanently, measure only reactive hydrocarbon emissions, allow California cars to be sold nationwide, eliminate certain emission certification procedures, provide for emissions waivers for innovative technology, allow for averaging of emissions, and eliminate the 1984-and-beyond high altitude requirements.

Whether Congress can finish work on amending the Clean Air Act this year remains to be seen, however. Most observers would say not, but that assessment was made based on earlier positions taken by the Administration.

Whether the new Reagan approach will alter that perception remains to be seen. Environmentalists will definitely fight to prevent their enactment.

New-car market stumbles; import share sets record

Continued from Page 4

the European luxury-car makers had a boom month.

BMW reported an any-month high with its sales at 4,424 units. Audi sales were up 35.27 percent, Mercedes-Benz was up 15.30 percent to a July record of 5,651 units, Peugeot was up 51.36 percent and Volvo reported a 28.34-percent sales increase to a July record 6,757.

Imports not only had their best penetration level of the year in July, of 29.59 percent, they cornered the largest segment of the total market. U. S. compacts accounted for 20.27 percent, intermediates were 18.47 percent, subcompacts were 16.76 percent, standards were 10.49 percent and luxury models were 4.42 percent.

The top five U. S. nameplates for the month were: Chevrolet Citation at 28,020, Chevrolet Chevette at 24,679, Ford Escort at 21,503, Oldsmobile Cutlass Supreme at 20,757 and standard Chevrolet at 18,168. A year earlier, the top five were: Citation, Chevette, Cutlass Supreme, Chevrolet Malibu and standard Chevrolet.

Domestic sales for the final 10 days of the month totaled 204,468, a decline of 13.47 percent from 236,293 last year. For the period, Ford was up 14.66 percent, Chrysler was up 10.17 percent, GM was off 21.00 percent, VWoA was down 38.19 percent and AMC was down an estimated 28.00 percent.

GM earned 62.62 percent of the third-period domestic market, Ford had 20.59 percent, Chrysler stood at 11.85 percent, VWoA had 3.18 percent and AMC had 3.18 percent and AMC earned 1.76 percent.

IMPORTED CAR SALES

	July, 1981	July, 1980	Jan. 1-July 31, 1981	Jan. 1-July 31, 1980
Alfa Romeo	274	343	1,214	2,117
Audi	5,124	3,788	29,885	24,921
BMW	4,424	3,807	24,718	21,219
Challenger	1,051	1,101	7,555	8,527
Champ	2,568	4,077	24,694	39,578
Colt	2,597	3,758	25,069	36,189
Datsun	43,118	55,651	290,548	336,541
Fiat	3,637	3,015	22,062	24,942
Fiesta	2,888	5,419	31,296	41,925
Honda	33,633	31,972	238,504	220,140
Isuzu	2,078	.....	9,538	.....
Jaguar	441	235	2,457	1,648
Lancia	149	180	705	1,407
Mazda	13,460	14,756	106,867	89,056
Mercedes-Benz	5,651	4,901	38,345	31,014
MG	337	1,190	2,993	7,152
Peugeot	1,671	1,104	9,715	7,745
Porsche	941	1,202	6,744	6,688
Renault	1,766	2,281	18,641	14,649
Rover	79	41	500	116
Saab	1,087	1,568	8,444	8,073
Sapporo	1,062	849	7,933	6,751
Subaru	14,208	11,987	91,977	82,791
Toyota	51,006	59,029	377,683	374,874
Triumph	1,030	2,499	7,826	7,730
Volkswagen	7,852	8,827	52,630	52,623
Volvo	6,757	5,265	44,036	33,557
TOTAL	208,889	228,845	1,482,579	1,481,973

U. S. CAR SALES BY MARKETING UNITS

	July, 1981	July, 1980	7 mos., 1981	7 mos., 1980
Chevrolet	120,600	146,096	892,728	1,069,879
Ford	111,919	120,177	891,548	938,270
Oldsmobile	65,040	73,469	518,970	491,224
Buick	51,590	58,899	426,210	410,938
Toyota	51,006	59,029	377,683	374,874
Pontiac	48,704	51,768	336,133	366,888
Datsun	43,118	55,651	290,548	336,541
Honda	33,633	31,972	238,504	220,140
Mercury	28,511	23,743	208,266	193,642
Plymouth	31,666	24,768	244,337	186,737
Dodge	28,174	25,768	222,839	198,061
VW of America	26,672	32,793	186,365	199,416
Cadillac	18,201	17,437	127,470	123,589
Mazda	13,460	14,756	106,867	89,056
Chrysler	5,946	9,746	57,300	84,502
AMC-Renault	14,488	12,730	106,437	103,886
Subaru	14,208	11,987	91,977	82,791
Lincoln	3,506	6,596	36,621	42,888
Mercedes-Benz	5,651	4,901	38,345	31,014
Volvo	6,757	5,265	44,036	33,557
BMW	4,424	3,807	24,718	21,219
Fiat	3,788	3,195	22,767	26,349
Isuzu	2,078	.....	9,538	.....
JRT Inc.	1,887	4,765	13,776	16,646
Peugeot	1,671	1,104	9,715	7,745
Saab	1,087	1,568	8,444	8,073
Alfa Romeo	274	343	1,214	2,117
TOTAL	706,040	771,194	5,288,469	5,423,512

Ford sales include Fiesta; VWoA includes VW and Porsche-Audi; Plymouth includes Champ and Sapporo; Dodge includes Colt and Challenger; Fiat includes Lancia.

Where Auto Market was in July

	Total Sales	Pct. of Total
SUBCOMPACT	118,366	16.76
COMPACT	143,102	20.27
INTERMEDIATE	130,440	18.47
STANDARD	74,063	10.49
LUXURY	31,180	4.42
IMPORT	208,889	29.59
TOTAL	706,040	100.00

New head, name change for Drennen Cadillac

BIRMINGHAM, Ala. — Drennen Cadillac has changed its name to Drennen Cadillac Co., Inc. The announcement was made by Ralph Quinn III, who will become president of the new company replacing his father, Ralph Quinn Jr., who is retiring after 30 years in the Drennen organization.

As part of the new ownership and management operation, Tom Williams Buick, will be a major partner.

DOMESTIC CAR SALES

	July 21 to July 31, 1981	Same Period, 1980	July, 1981	Same Month, 1980	Jan. 1 to July 31, 1981	Same Period, 1980
Spirit	.....	.....	2,368	4,006	22,512	32,165
Concord	.....	.....	8,028	3,865	39,046	38,703
Pacer	.....	.....	.....	258	111	1,780
Eagle	.....	.....	2,326	2,320	26,127	16,589
AMERICAN MOTORS*	3,600†	5,000†	12,722	10,449	87,796	89,237
Horizon	2,534	3,092	5,759	6,397	51,624	43,644
TC3	1,933	2,233	4,717	4,697	34,419	34,975
Reliant	6,900	.....	16,965	.....	111,748	.....
Volare	47	2,669	169	6,467	6,505	50,780
Plymouth	167	798	426	2,281	7,414	11,009
Total Plymouth	11,581	8,792	28,036	19,842	211,710	140,408
LeBaron	1,455	1,886	3,639	4,218	29,174	37,415
Cordoba	593	1,382	1,627	3,388	16,680	27,563
Chrysler	146	752	422	2,140	8,163	19,524
Total Chrysler	2,194	4,020	5,688	9,746	54,017	84,502
Total Imperial	106	.....	258	.....	3,283	.....
Omni	1,365	2,456	2,607	5,067	36,650	35,354
024	2,042	2,114	4,706	4,281	30,493	29,775
Aries	5,332	.....	12,064	.....	83,568	.....
Aspen	69	2,172	161	5,267	5,769	38,673
Diplomat	1,054	931	2,747	2,400	18,947	19,565
Mirada/Magnum	400	909	1,008	2,172	9,840	17,218
Dodge	91	603	233	1,722	4,948	12,760
Total Dodge	10,353	9,185	24,526	20,909	190,215	153,345
CHRYSLER CORP.	24,234	21,997	58,508	50,497	459,225	378,255
Pinto	358	3,476	998	11,573	10,037	94,960
EXP	2,311	.....	6,770	.....	29,175	.....
Escort	8,341	.....	21,503	.....	183,623	.....
Mustang	4,111	6,570	10,884	19,899	102,275	148,002
Fairmont	5,425	6,206	13,771	20,049	115,520	184,286
Granada	3,059	2,093	7,000	7,439	60,137	48,154
LTD II	.....	149	.....	346	.....	2,710
Thunderbird	2,249	3,282	5,312	10,152	44,416	86,811
Ford	4,113	4,389	10,776	14,961	70,182	94,892
Ford Division	29,967	26,435	77,014	84,419	615,365	659,815
Bobcat	11	740	111	2,176	2,169	18,077
LN7	645	.....	2,237	.....	9,059	.....
Lynx	2,627	.....	7,122	.....	59,446	.....
Zephyr	1,554	1,946	4,037	5,574	34,197	51,191
Cougar/Monarch	1,592	473	3,714	2,661	25,678	17,260
XR-7	1,191	1,213	2,564	3,695	17,524	34,846
Capri	1,521	1,645	4,095	5,188	30,974	40,150
Mercury	1,635	1,335	4,631	4,449	29,219	32,118
Total Mercury	10,776	7,352	28,511	23,743	208,266	193,642
Versailles	.....	180	.....	448	.....	3,451
Lincoln	634	1,348	1,670	3,069	17,603	18,210
Mark VI	719	1,400	1,836	3,079	19,018	21,227
Total Lincoln	1,353	2,928	3,506	6,596	36,621	42,888
L-M Division	12,129	10,280	32,017	30,339	244,887	236,530
FORD MOTOR	42,096	36,715	109,031	114,758	860,252	896,345
Skyhawk	.....	103	.....	287	.....	4,681
Skylark	6,901	6,534	14,064	13,047	120,768	101,117
Century	3,353	6,308	8,044	12,540	81,803	84,983
Regal	6,964	8,185	15,367	16,752	121,419	108,745
Le Sabre	2,767	3,618	6,312	7,833	45,010	54,033
Electra	1,791	2,380	4,007	4,858	30,485	33,697
Riviera	1,710	1,713	3,796	3,582	26,725	23,682
Buick Division	23,486	28,841	51,590	58,899	426,210	410,938
Cimarron	1,011	.....	2,295	.....	3,880	.....
Seville	650	1,012	1,311	2,297	13,510	20,255
Cadillac	5,607	4,780	10,720	11,044	79,879	74,801
Eldorado	2,047	1,881	3,875	4,096	30,201	28,533
Cadillac Division	9,315	7,673	18,201	17,437	127,470	123,589
Chevette	10,113	12,822	24,679	27,986	230,409	230,114
Cavalier/Monza	3,373	6,171	8,024	13,184	28,275	88,481
Citation/Nova	6,986	15,401	28,020	33,635	189,804	234,898
Camaro	3,888	4,969	9,257	10,845	68,014	74,349
Malibu	6,901	10,670	17,871	23,345	140,053	158,784
Monte Carlo	5,155	6,251	12,273	13,453	97,468	93,575
Chevrolet	7,726	9,538	18,168	20,544	119,705	168,023
Corvette	1,100	1,417	2,308	3,104	19,000	21,655
Chevrolet Division	45,242	67,239	120,600	146,096	892,728	1,069,879
Starfire	.....	135	.....	258	.....	4,825
Omega	3,673	3,829	8,044	8,099	66,825	52,481
Cutlass	5,877	8,125	13,163	17,275	124,938	124,572
Supreme	8,961	11,895	20,757	24,540	162,635	154,026
Olds 88	5,965	6,572	14,279	13,775	95,404	92,051
Olds 98	2,329	3,066	5,686	6,280	46,852	41,116
Toronto	1,300	1,586	3,111	3,242	22,316	22,153
Oldsmobile Division	28,105	35,208	65,040	73,469	518,970	491,224
T-1000	2,785	.....	6,246	.....	26,093	.....
J-2000/Sunbird	2,782	5,311	6,764	11,498	40,078	76,902
Phoenix	2,711	4,007	5,775	8,910	52,954	58,265
Firebird	2,649	3,057	5,442	7,047	37,811	54,806
LeMans	2,221	2,395	5,233	5,833	45,204	46,869
Grand Prix	4,321	4,474	10,121	9,735	77,788	64,289
Pontiac	4,129	3,873	9,123	8,745	56,205	65,757
Pontiac Division	21,898	23,117	48,704	51,768	336,133	366,888
GENERAL MOTORS	128,046	162,078	304,135	347,669	2,301,511	2,462,518
VOLKSWAGEN	6,492	10,503	12,755	18,976	97,106	115,184
DOMESTIC TOTAL	204,468	236,293	497,151	542,349	3,805,890	3,941,539
IMPORT TOTAL	.....	.....	208,889	228,845	1,482,579	1,481,973
INDUSTRY TOTAL	.....	.....	706,040	771,194	5,288,469	5,423,512

*—AMC does not have a nameplate breakout for 10-day periods.
†—Estimate.